

B-1



## CITY OF LODI COUNCIL COMMUNICATION

**AGENDA TITLE:** Receive and Review the Draft Fiscal Year 2009/2010 Financial Plan and Budget

**MEETING DATE:** May 26, 2009

**PREPARED BY:** City Manager

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**RECOMMENDED ACTION:** Receive and review the Draft Fiscal Year 2009-2010 Financial Plan and Budget.

**BACKGROUND INFORMATION:** The Draft Fiscal Year (FY) 2009/10 Financial Plan and Budget has been provided to the City Council.

The General Fund Budget for FY 2009/10 is balanced without the use of reserves. However, it is expected that expenditures incurred during the current FY 08/09 will exceed revenues and General Fund reserves will be drawn on.

Improvements have been made to the budget document itself. Summaries of full department budgets are provided vs. a collection of division budgets. Narratives are clearer and more concise. Additional supplemental information is included. This budget introduces the use of footnotes to explain variances and key items.

It is suggested that the review process kick-off with a Special Meeting on May 26<sup>th</sup>, continued to a Special Meeting on June 2<sup>nd</sup>, and if possible, concluded June 3<sup>rd</sup> with public comments invited. However, if more time is needed, June 10<sup>th</sup> has been reserved for a special meeting.

**FISCAL IMPACT:** The draft 2009/10 budget provides an expenditure plan for all funds. The all funds budget is \$171,592,000, a decrease of \$14 million, or a 7½ % from the previous year, and a two-year decline of approximately \$42.1 million. The General Fund Budget is \$39,870,901, \$2.4 million less than the previous year and \$5.8 million less than two years ago.

  
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Blair King, City Manager

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APPROVED:   
\_\_\_\_\_  
Blair King, City Manager

# FY 2009/10 Budget



## Presentation to City Council

**May 20, 2009**

# FY 2009/10 Budget



*"May you live in interesting times."*

– Chinese proverb

Extraordinarily difficult economic conditions

Tough times never last

Tough people do

# FY 2009/10 Budget



## FY 09/10 at a glance

- Difficult Fiscal Year ahead
- General Fund balanced with revenues and expenses
- FY 2008/09 expenditures will exceed revenues – reserves declining
- Electric Utility is healthier
- Wastewater Fund at a crossroads
- \$800,000 savings from service credit program
- Employee contributions help



# FY 2009/10 Budget



## At a glance

- Proportionate relationships generally same
- Seven percent reduction in workforce
- Changes for Community Development
- Impact of federal stimulus funds unknown
- State of California is a hindrance
- Capital expenditures lacking

(cont.)

# FY 2009/10 Budget



## At a glance

- Funds for downtown maintenance
- Funds for street tree maintenance
- Percent of TOT (19%) for LCVB
- Coverage at the Animal Shelter
- Lodi CARE funding increased by \$20,000

# FY 2009/10 Budget



## Recession No. 33

These are extraordinary financial times.

# FY 2009/10 Budget



## Unemployment rates in March

Lodi	12.5%
San Joaquin County	16.4%
Stockton	19.7%
California	11.2%

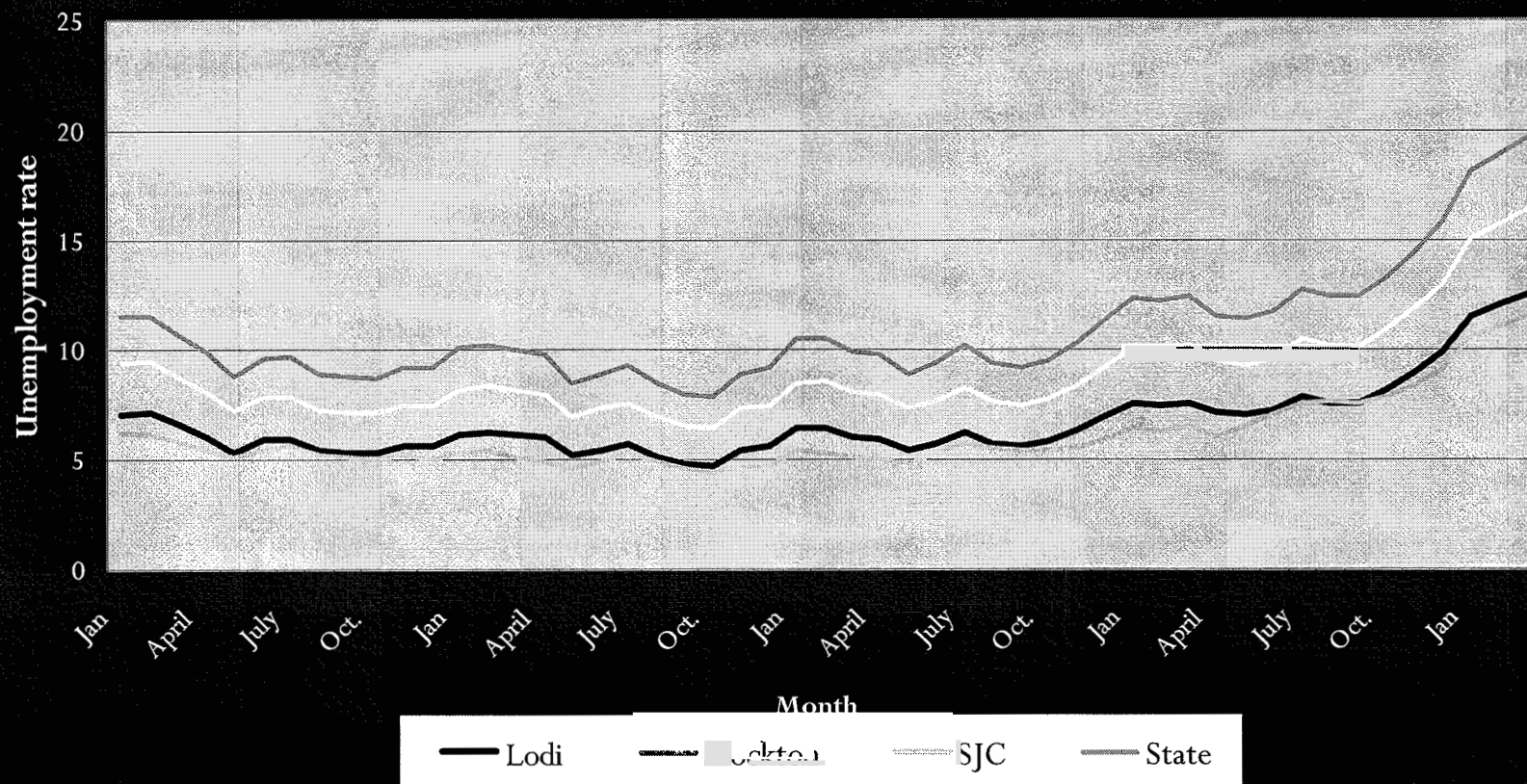
50,800 unemployed people looking for work in San Joaquin County

Source: California Economic Development Department, March 2009 figures

# FY 2009/10 Budget



## Unemployment rates, Jan. 2005-March 2009



# FY 2009/10 Budget



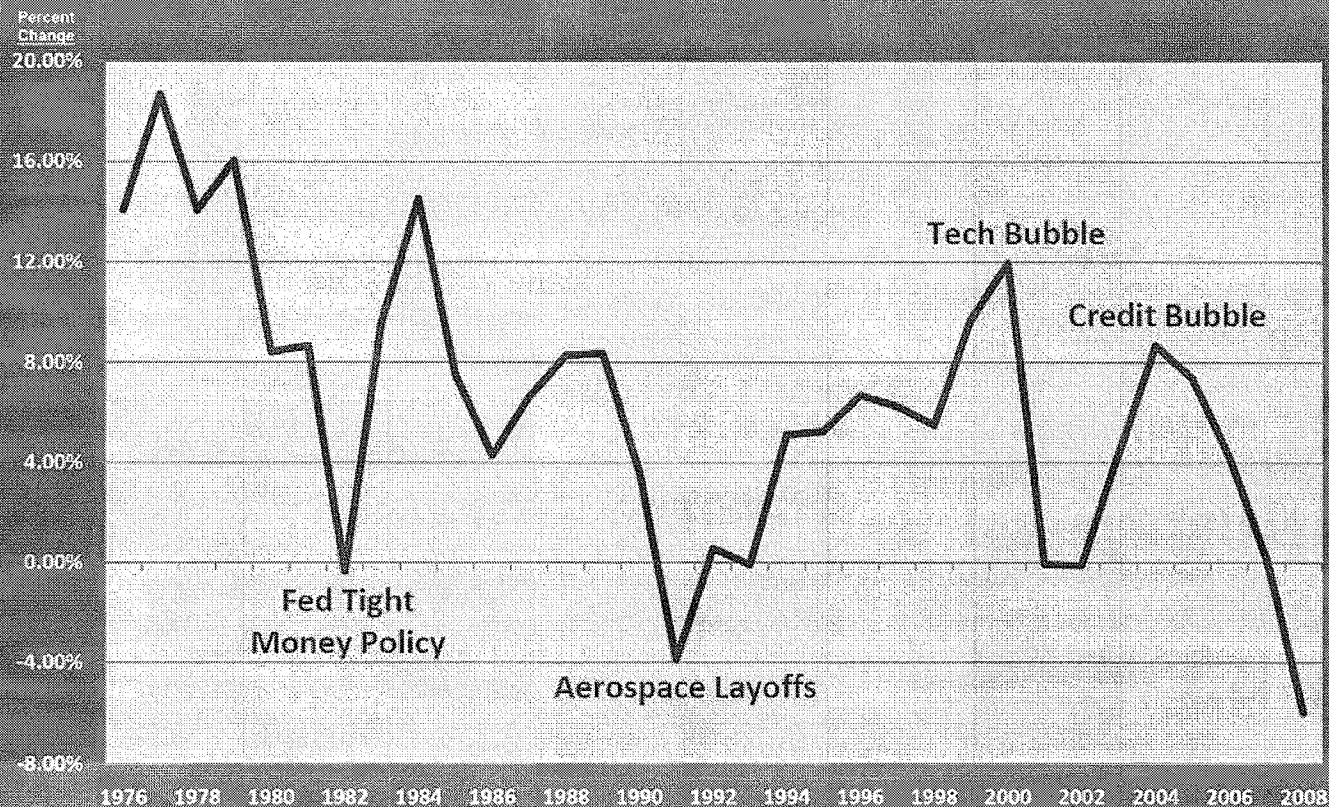
16.8% year-over-year decline for fourth  
quarter of calendar year 2008



# FY 2009/10 Budget



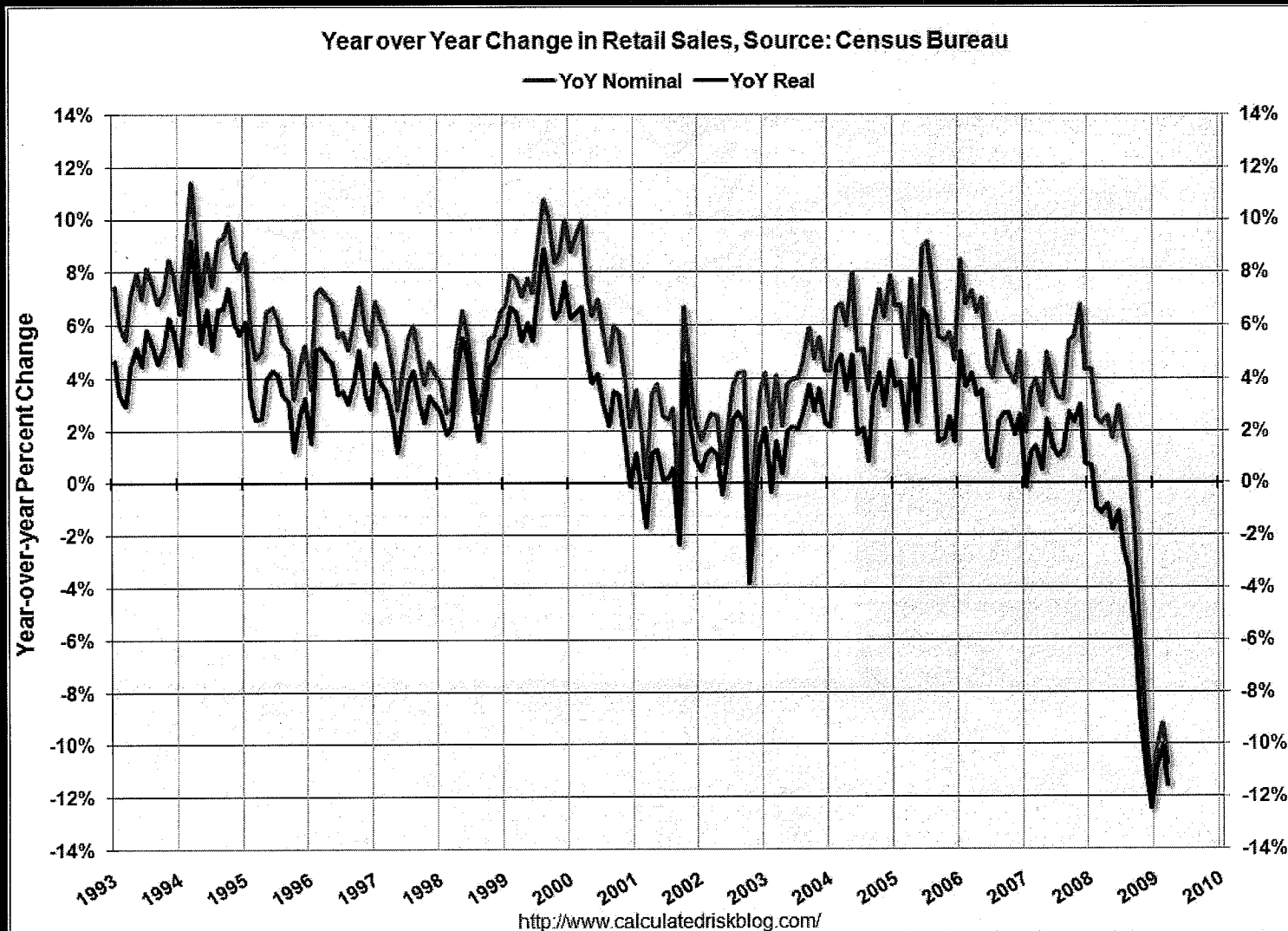
## CALIFORNIA SALES TAX YEAR OVER YEAR PERCENT CHANGE



Source: State Board of Equalization, The HDL Companies



# FY 2009/10 Budget





# FY 2009/10 Budget

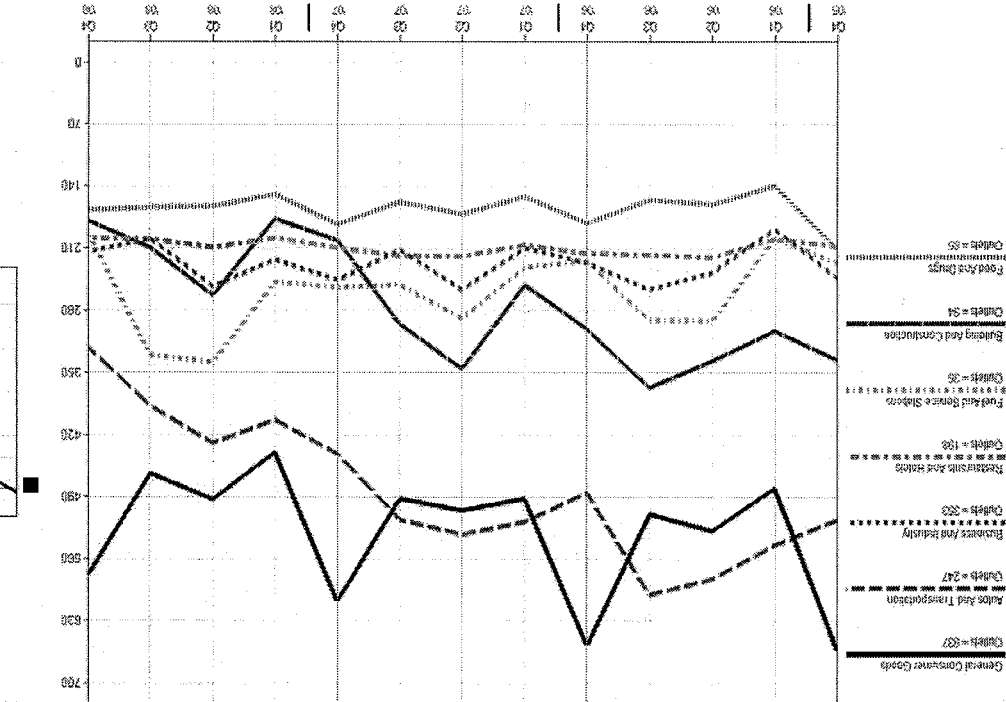
## CITY OF LODI MAJOR INDUSTRY GROUPS - 13 QUARTER HISTORY



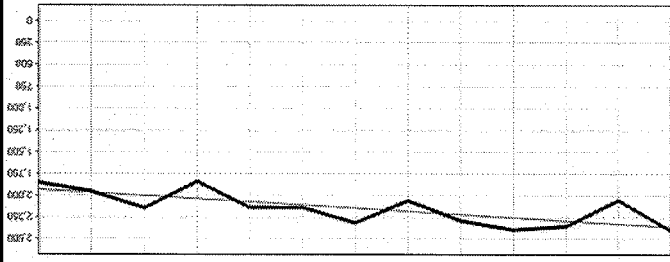
Adjusted by moving retroactive payments with an absolute value of \$5,000 or more into the quarter the sale was generated

This chart compares sales tax for the Major Industry Groups. The prior 12 quarters are shown graphically for historical reference purposes. Allocations have been adjusted to reflect economic data.

Industry Groups



13 quarter trend:  
Down 18.3 percent



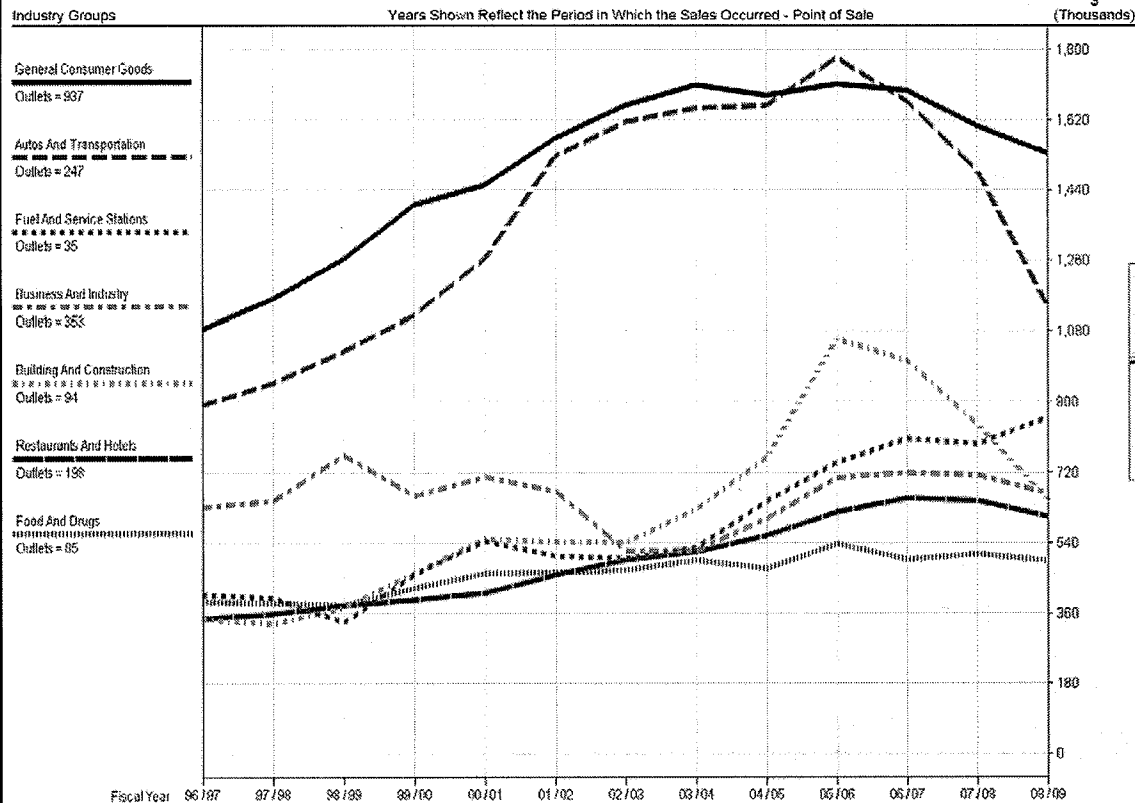
# FY 2009/10 Budget



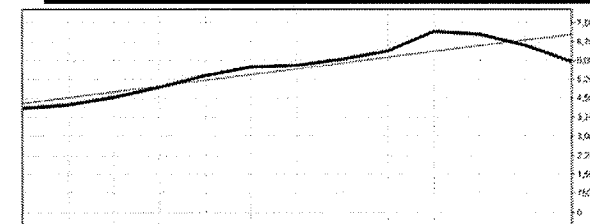
## CITY OF LODI MAJOR INDUSTRY GROUPS - 13 YEAR HISTORY

Adjusted by moving retroactive payments with an absolute value of \$5,000 or more into the quarter the sale was generated

**Chart Description:** This chart compares sales tax for the Major Industry Groups. The prior 12 fiscal years are shown graphically for historical reference purposes. Allocations have been adjusted to reflect economic data.



**Sales tax revenue  
nearly at 2001 levels**



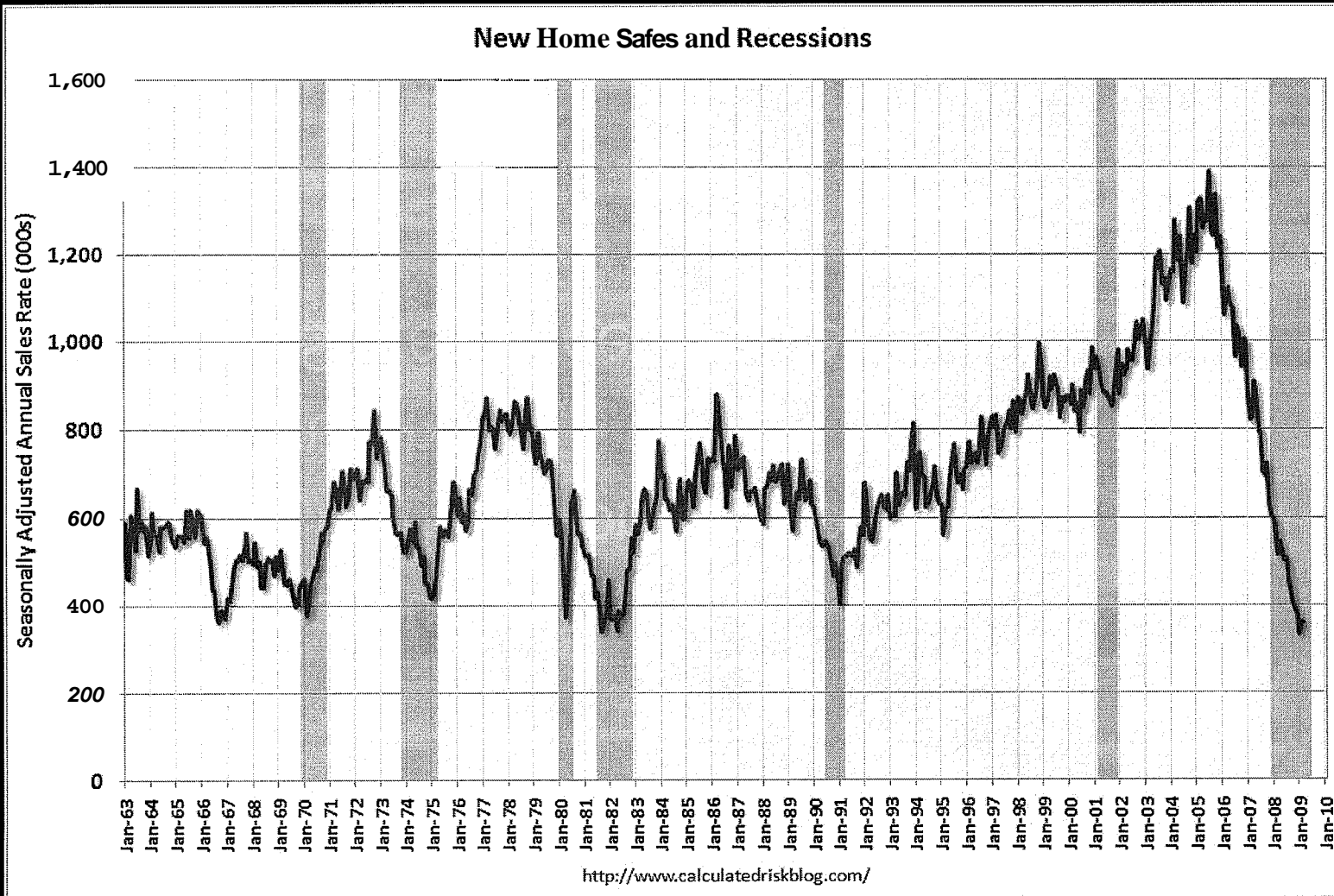
# FY 2009/10 Budget



Down \$640,800 year-to-year in property tax revenue

Value assessments reverting to 2003 or earlier

# FY 2009/10 Budget



# FY 2009/10 Budget



- Economic plunge
- Housing market/mortgage crisis
- Credit crunch
- Chronic State budget problems

# FY 2009/10 Budget



Annual amount diverted:

\$3,095,166

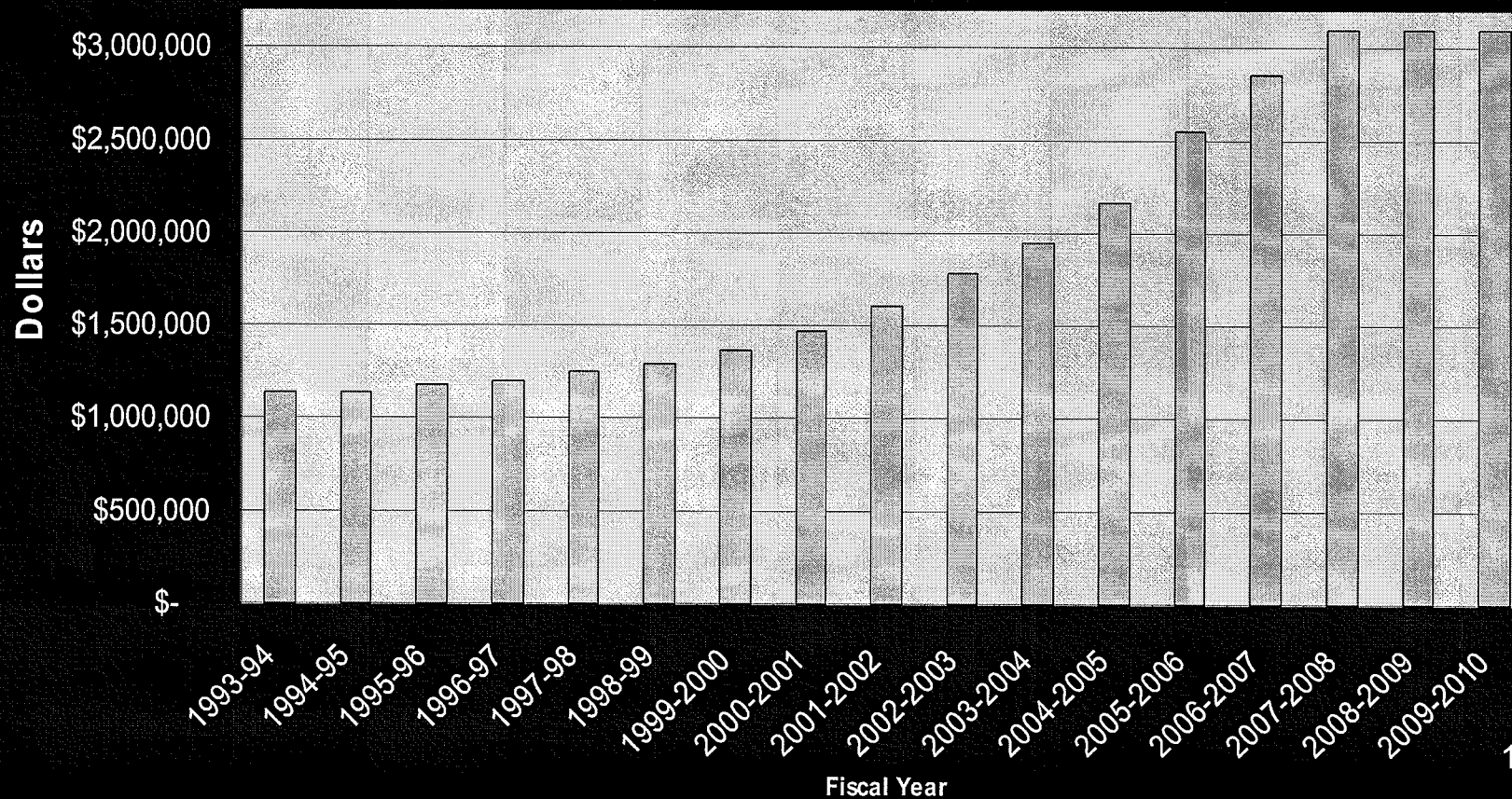


# FY 2009/10 Budget



## Educational Revenue Augmentation Fund

Funds shifted to schools from City of Lodi



# City Response

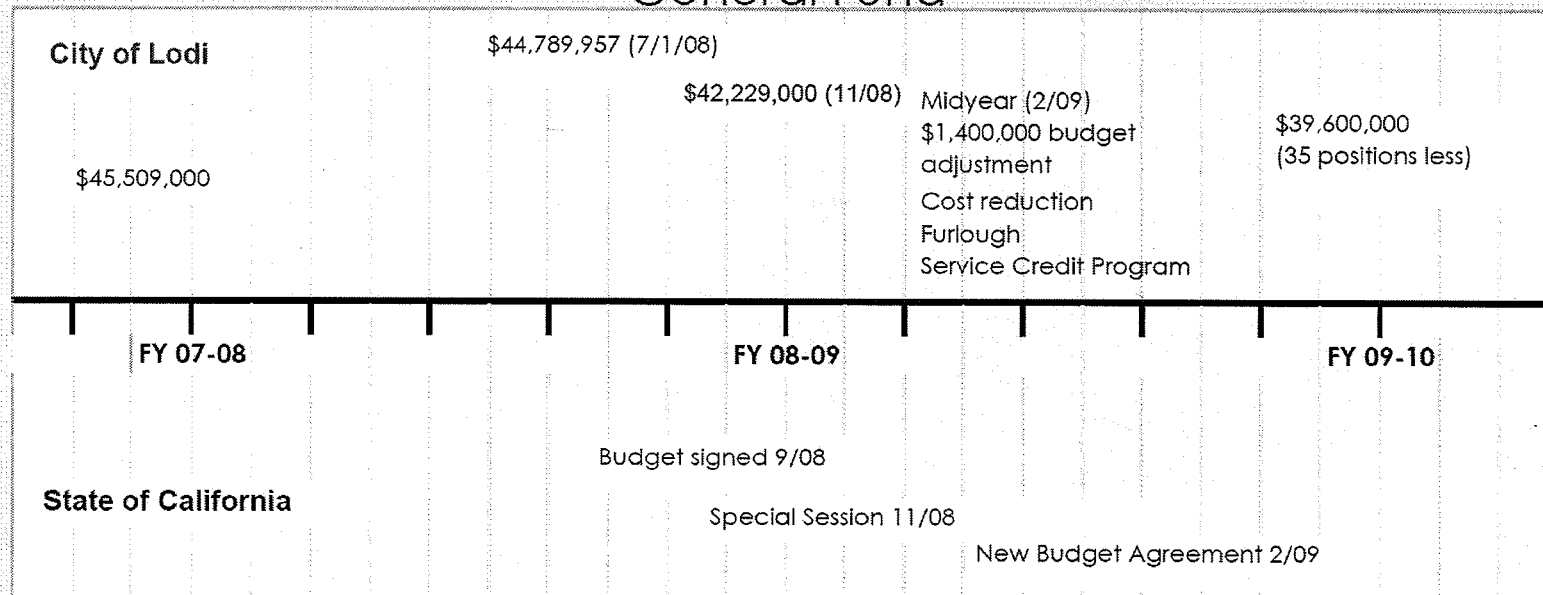


**FY 2009/10 Budget**

# FY 2009/10 Budget



## Fiscal Timeline General Fund



# **FY 2009/10 Budget**

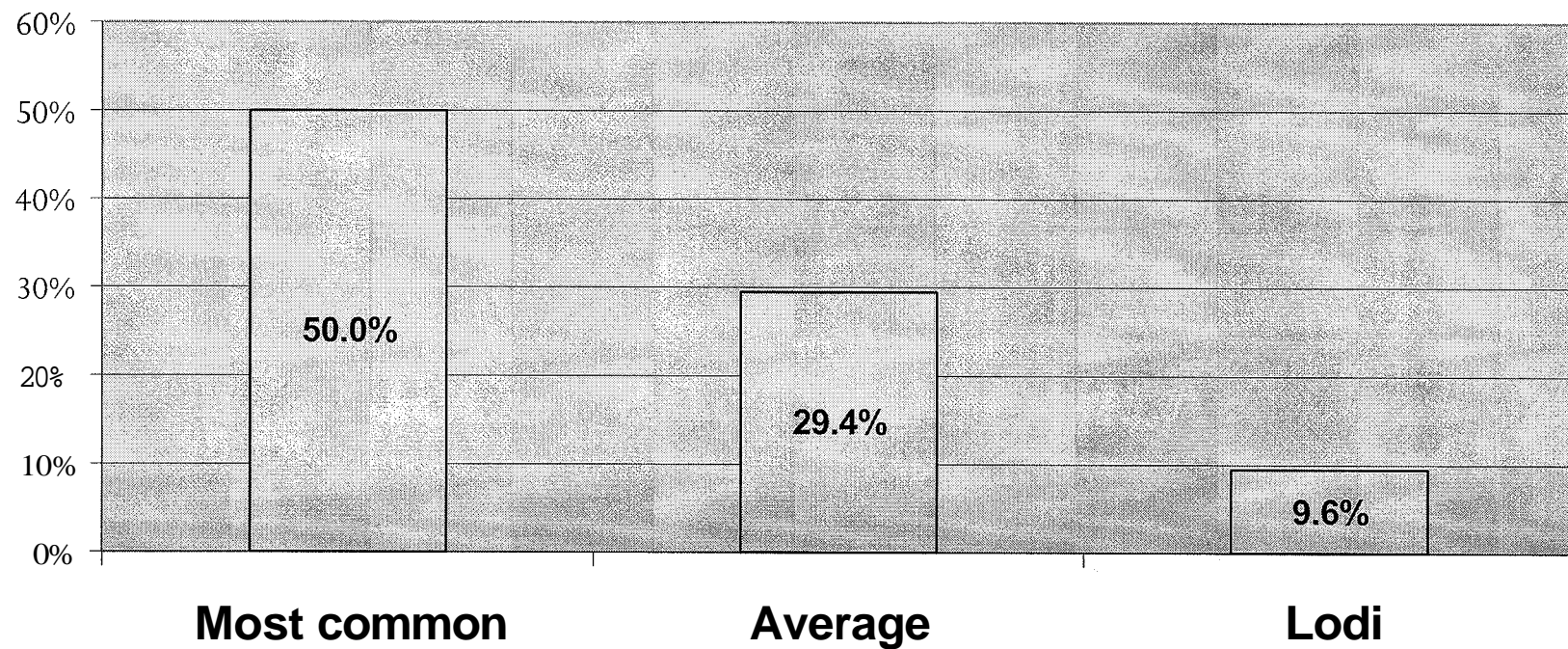


## **Fiscal sustainability**

# FY 2009/10 Budget



## California cities' GF reserve levels



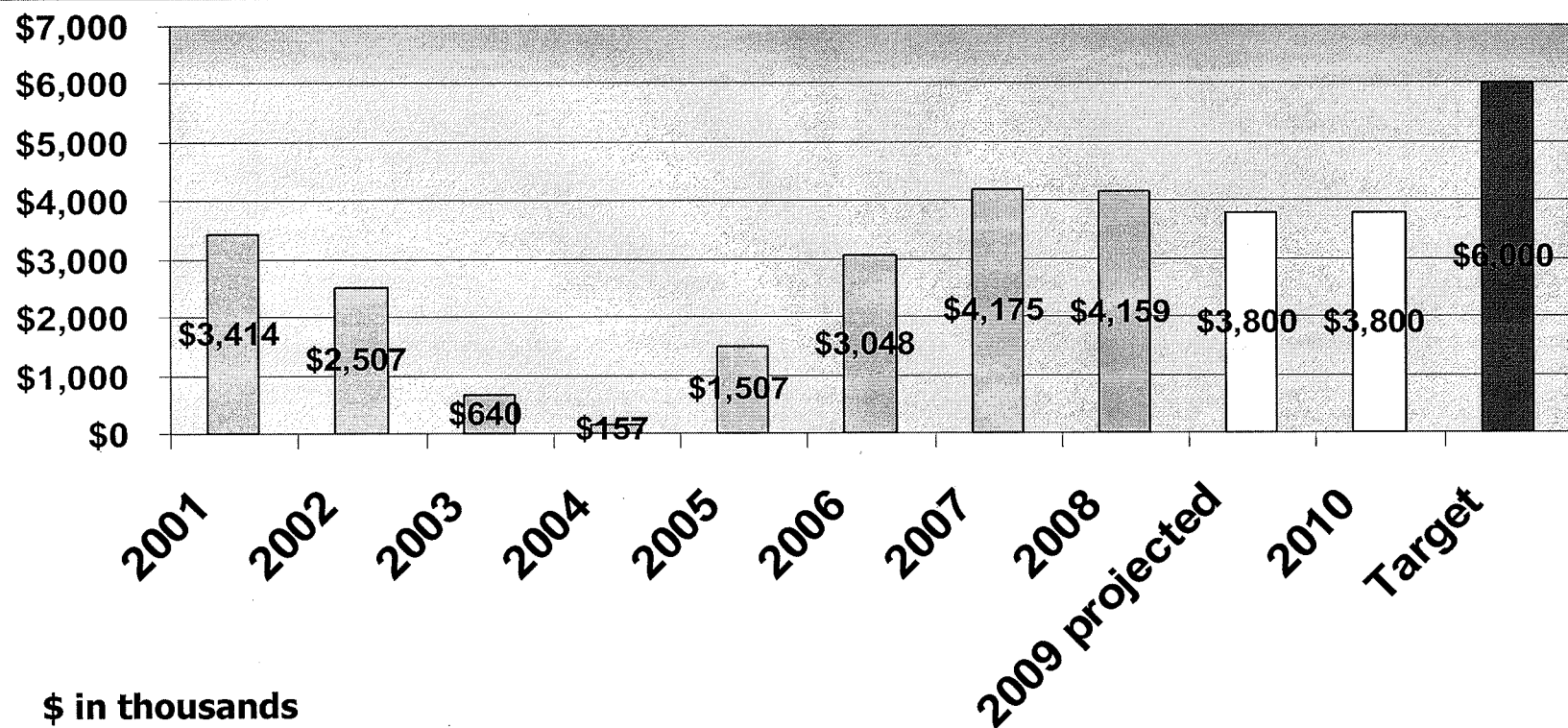
Source: Fiscal officers of California list serve poll (72 cities), March 2009



# FY 2009/10 Budget



## General Fund reserve history



# **FY 2009/10 Budget**



## **Approach to the Budget**



# FY 2009/10 Budget



## General Fund reserve

**City policy:** *Minimum* unrestricted General Fund reserve should equal 15% – \$6 million for FY 2009/10

- Anticipated June 30, 2008 figure was \$4.5 million (11.3%), actual was \$4.2 million (10.5%).
- Projected June 30, 2009: \$3.8 million (9.6%).
- City Council votes for June 30, 2010 reserve goal:
  - \$3.8 million – 3
  - \$4.2 million – 2

# FY 2009/10 Budget



## General Fund spending

Question to City Council:

*Should % of General Fund expenditures per department remain the same in 2009/10 as it was in 2008/09?*

Yes	4
No	0
Unsure	1

# FY 2009/10 Budget



Department	2008/09 Ratio	2009/10 Proposed Budget	2009/10 Ratio	Change 2008/09 vs. 2009/10	Ratio Change
City Clerk	1.35%	\$548,540	1.38%	(\$29,271)	0.03%
City Manager	1.39%	\$538,610	1.35%	(\$9,404)	-0.04%
City Attorney	1.22%	\$462,890	1.16%	(\$40,252)	-0.06%
Internal Services Department	9.44%	\$3,667,493	9.20%	(\$71,060)	-0.24%
Non-Departmental	4.50%	\$2,241,933	5.62%	\$21,893	1.12%
Economic Development	1.24%	\$477,627	1.20%	(\$43,865)	-0.04%
Police	36.84%	\$14,955,058	37.51%	(\$766,418)	0.67%
Fire	21.99%	\$8,696,662	21.81%	(\$803,812)	-0.18%
Public Works	5.82%	\$1,962,141	4.92%	(\$280,284)	-0.90%
Parks	5.74%	\$2,251,918	5.65%	(\$144,189)	-0.09%
Library	3.45%	\$1,352,031	3.39%	(\$111,043)	-0.06%
Community Development	0.54%	\$213,100	0.53%	(\$17,503)	-0.01%
Community Center	2.98%	\$1,166,095	2.92%	(\$95,777)	-0.05%
Recreation	1.26%	\$494,132	1.24%	(\$40,583)	-0.02%
Streets MOE	2.24%	\$842,671	2.11%	(\$108,267)	-0.13%
Total	100.00%	\$39,870,901	100.00%	(\$2,539,835)	

# FY 2009/10 Budget



## Citywide staffing

426 funded positions

- 460 authorized in FY 2008/09
- 459 authorized in FY 2009/10
- 33 unfunded positions

Reductions will grow

Nine accepted enhanced service credit

# FY 2009/10 Budget



## Bargaining Group agreements

### Group

### Tent. Agmt.?

Police Dispatchers

Yes

(LPDA agreed to furloughs, waive holiday leave cash out)

Police Officers

Yes

(POAL agreed to furloughs, waive uniform allowance, waive comp time cash out, waive holiday leave cash out)

Police Mid-Managers

Pending

# FY 2009/10 Budget



## Group

## Tent. Agmt.?

Firefighters

Pending

(Projecting four layoffs without agreement)

Fire Mid-Managers

Pending

(Projecting one layoff without agreement)

# FY 2009/10 Budget



## Group

## Tent. Agmt.?

Mid-Managers

Yes

(Extended FY 08/09 contributions through FY 09/10)

General Services

Pending

(Five layoffs without agreement)

Maint. & Operators

Pending

(Five layoffs without agreement)

IBEW and unrepresented (Executive Managers)  
previously agreed to contributions through FY  
2009/10



# FY 2009/10 Budget



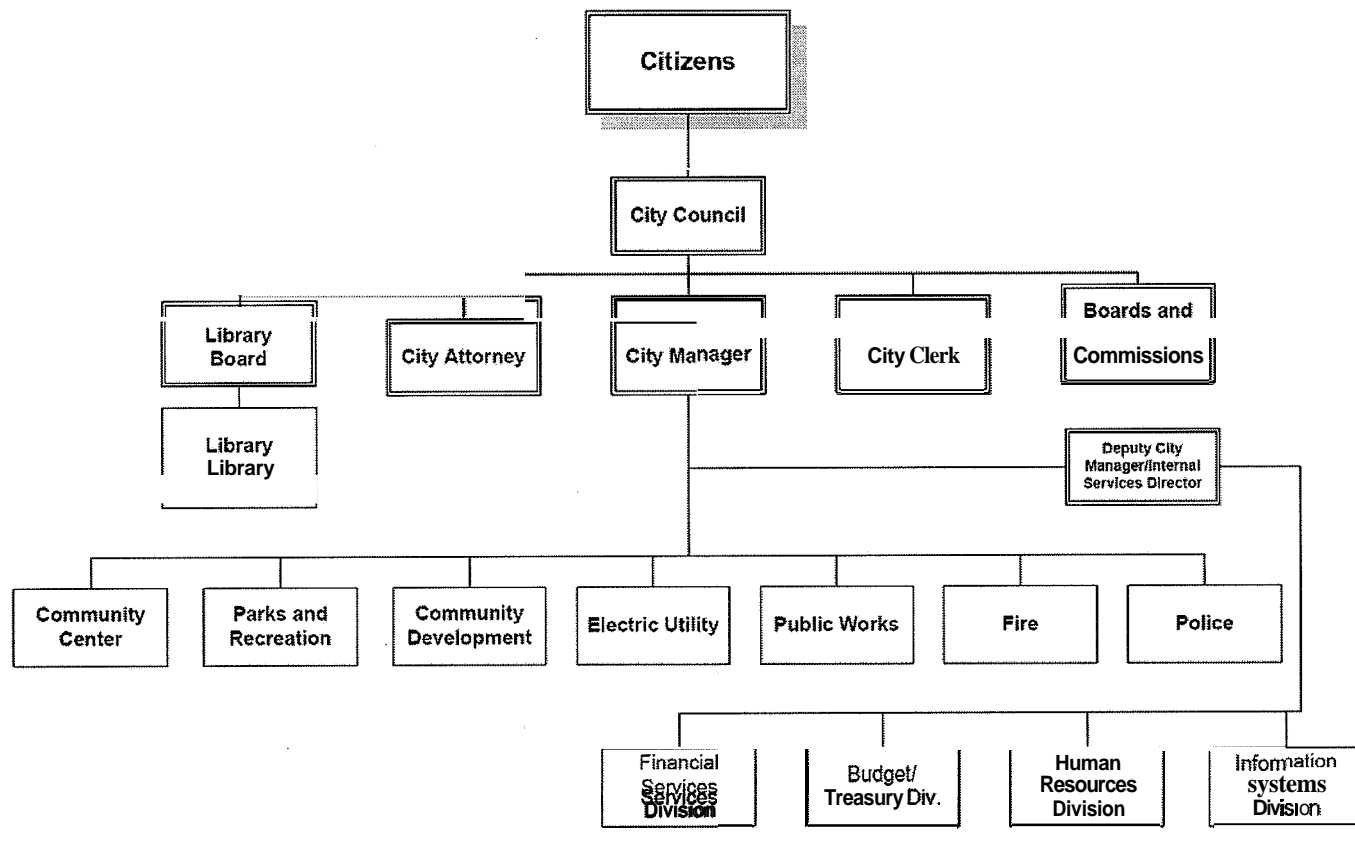
## Layoffs (2)

- One in Community Improvement
- Retreat rights of Senior Planner

# FY 2009/10 Budget



## City of Lodi



# FY 2009/10 Budget



## All funds revenue

Overall decrease of \$15.2 million, or 8.1%

# **FY 2009/10 Budget**



## **All funds expenditures**

# FY 2009/10 Budget



## All funds expenditures

Budget Fund May 13	2008-09 Budget	2009-10 Budget	\$ Change	% Change
General Fund Total	42,709,952	39,870,901	(2,839,051)	-6.65%
Library Fund Total	2,826,159	1,419,910	(1,406,249)	-49.76%
Street Fund Total	8,424,384	3,120,826	(5,303,558)	-62.95%
Transportation Dev Act Fund Total	97,850	50,000	(47,850)	-48.90%
<b>CDBG Fund Total</b>	<b>461,105</b>	<b>751,256</b>	<b>290,151</b>	<b>62.93%</b>
Police Special Revenue Fund Total	120,741	100,000	(20,741)	-17.18%
Capital Outlay Fund Total	3,645,173	467,760	(3,177,413)	-87.17%
Equipment Fund Total	130,999	65,000	(65,999)	-50.38%
Vehicle Replacement Fund Total	696,098	350,000	(346,098)	-49.72%
Debt Service Fund Total	1,770,980	1,676,931	(94,049)	-5.31%
Water Fund Total	15,523,008	12,500,365	(3,022,643)	-19.47%
Wastewater Fund Total	30,497,223	16,230,611	(14,266,612)	-46.78%
Electric Fund Total	73,091,069	72,634,564	(456,505)	-0.62%
Transit Fund Total	7,338,156	4,070,445	(3,267,711)	-44.53%
Comm Dev Special Rev Fund Total	1,628,438	1,210,238	(418,200)	-25.68%
Benefits Fund Total	7,453,525	6,909,955	(543,570)	-7.29%
Self Insurance Fund Total	4,011,630	2,340,000	(1,671,630)	-41.67%
Trust & Agency Fund Total	239,386	388,064	148,678	62.11%
Fire Special Revenue Fund Total	480,152	480,151	-	0.00%
Fleet Services Total	1,947,553	1,929,720	(17,833)	-0.92%
Community Center Total	1,938,531	1,859,673	(78,858)	-4.07%
Parks & Recreation Total	1,763,730	1,844,318	80,588	4.57%
<b>Grand Total</b>	<b>206,795,842</b>	<b>170,270,688</b>	<b>(36,525,154)</b>	<b>-17.66%</b>

# FY 2009/10 Budget



## Funds with highest expenditures

General Fund	23%
Electric Fund	43%
Wastewater Fund	8%
Water Fund	8%



# FY 2009/10 Budget



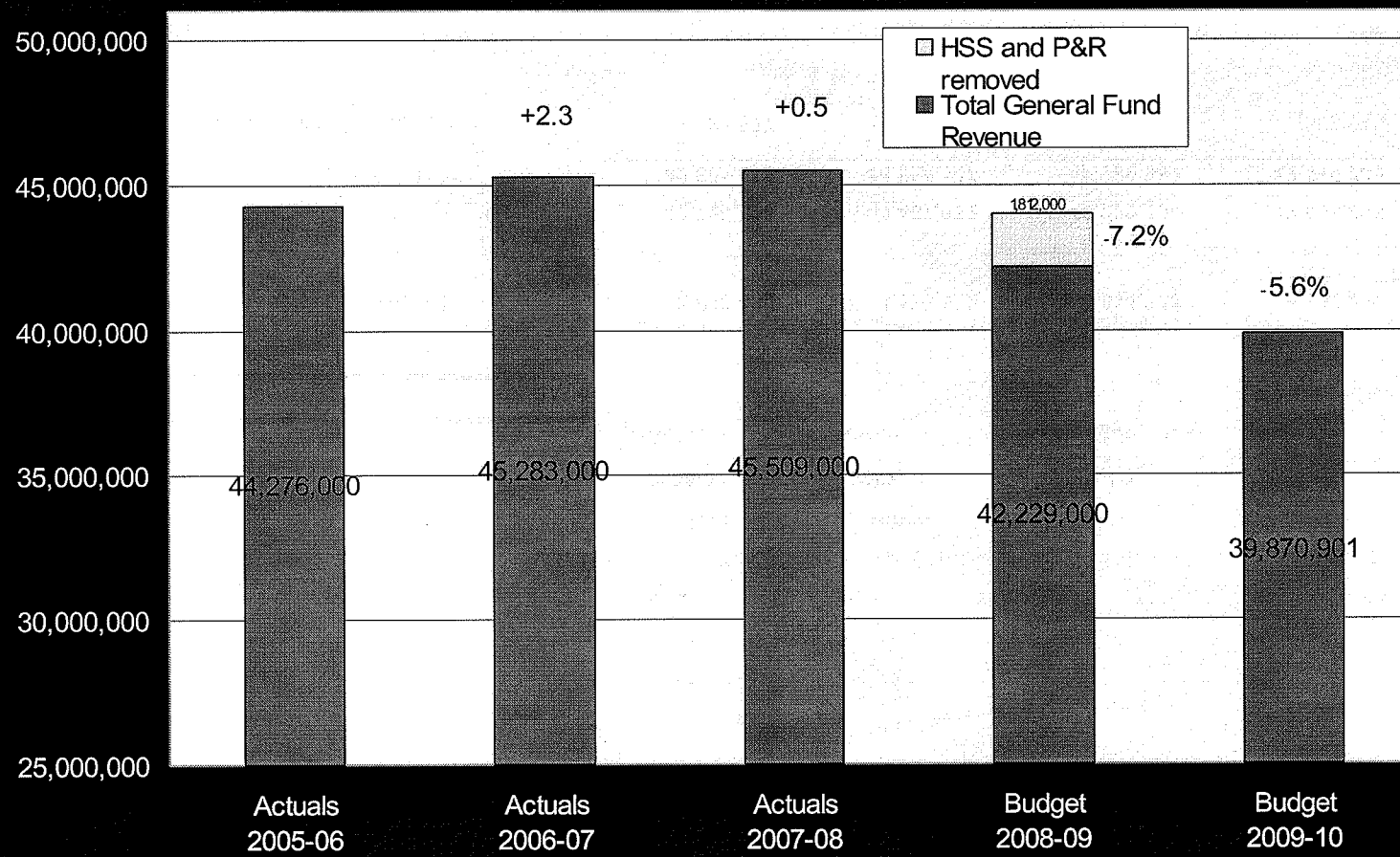
## General Fund

- Overall decrease of ~\$2.4M or 5.6%
- Decrease of ~\$5.8M since 2007/08 budget
- Many revenue sources are reflecting the economic downturn

# FY 2009/10 Budget



## General Fund history



# FY 2009/10 Budget

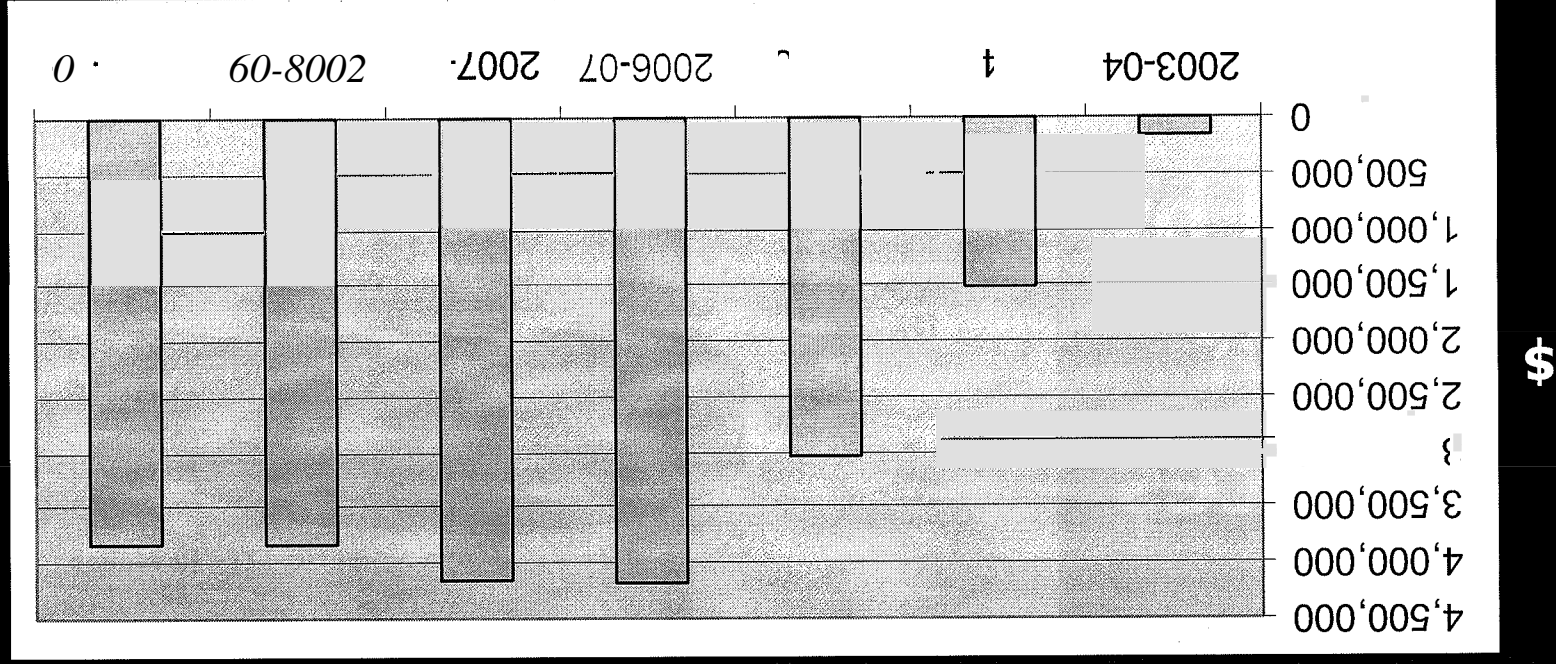


	Audited 2006-07 Actuals	Audited 2007-08 Actuals	2008-09 Budget	Estimated 2008-09 Actuals	2009-10 Budget
<b>General Fund</b>					
<u>Fund Balance (Net Assets)</u>					
Beginning Fund Balance (Net Assets) Unreserved	3,048,435	4,175,522	4,534,293	4,159,007	3,831,962
Revenues	43,728,599	44,487,632	42,229,193	42,083,695	39,870,901
Expenditures	<u>42,601,512</u>	<u>44,504,147</u>	<u>42,709,952</u>	<u>42,410,740</u>	<u>39,870,901</u>
Net Difference (Revenues Less Expenditures)	1,127,087	(16,515)	(480,759)	(327,045)	-
<u>Fund Balance (Net Assets)</u>					
Ending Fund Balance (Net Assets) Unreserved	<u>4,175,522</u>	<u>4,159,007</u>	<u>4,053,534</u>	<u>3,831,962</u>	<u>3,831,962</u>

# FY 2009/10 Budget



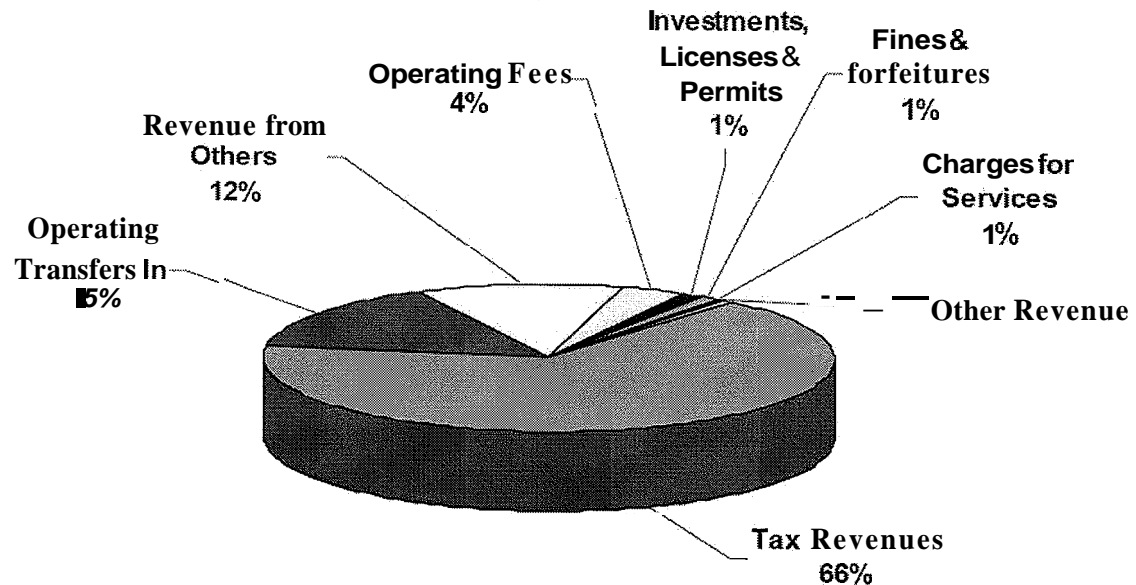
## General Fund reserve history



# FY 2009/10 Budget



## General Fund by major sources



General Fund Revenues	Budget 2009-10
Tax Revenues	26,478,675
Operating Transfers In	5,932,983
Revenue from Others	4,681,271
Operating Fees	1,432,032
Investments, Licenses & Permits	520,550
Fines & Forfeitures	384,000
Charges for Services	246,940
Other Revenue	194,450
Grand Total	39,870,901

# FY 2009/10 Budget



## General Fund major sources

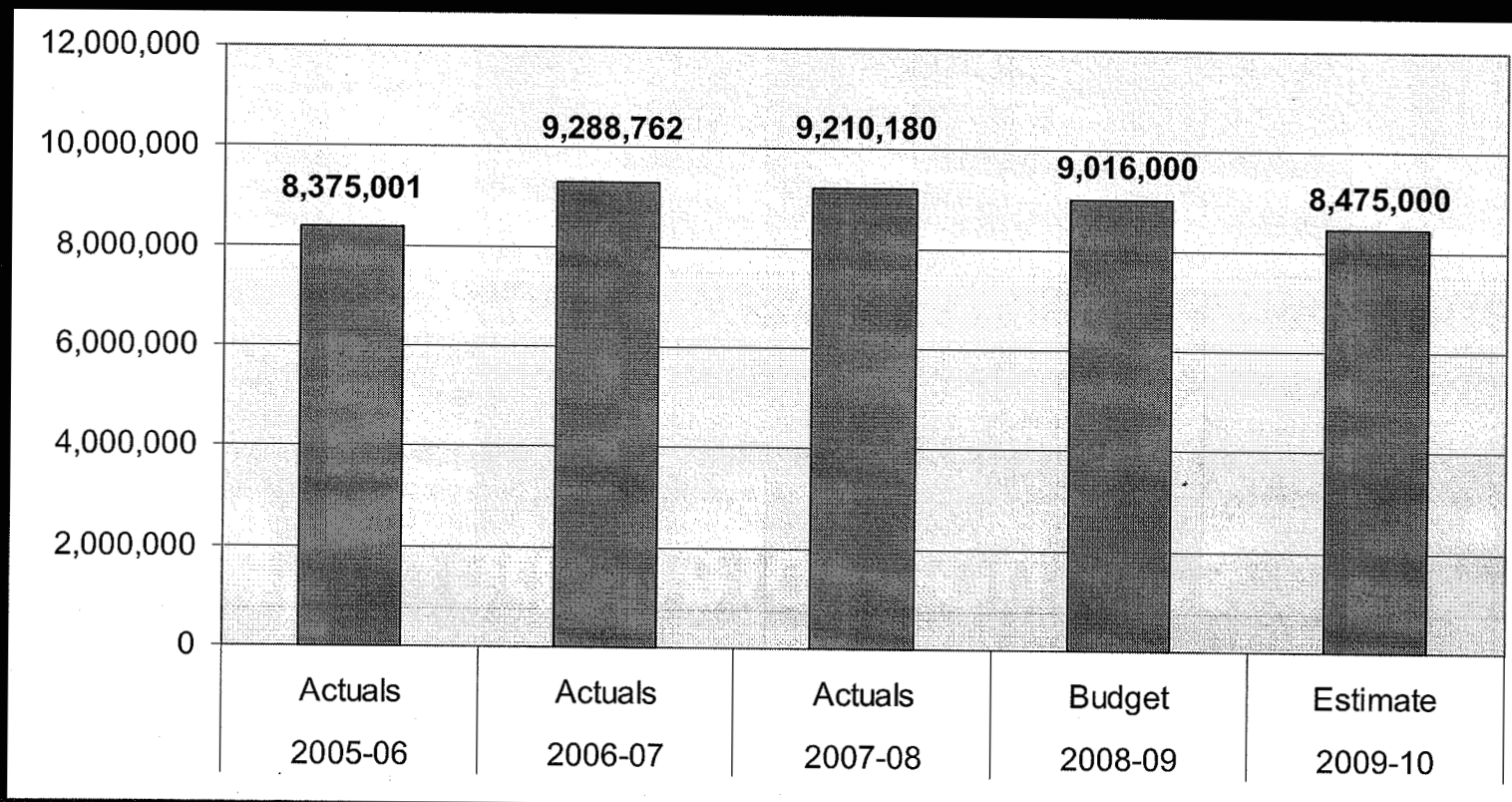
Description	2009-10 Budget
5011 Property Taxes-CY Secured	8,475,000
5031 Sales & Use Tax	7,479,255
5081 In-lieu Franchise-E. U.	6,976,670
4210 Operating Transfers In	5,932,983
5499 In-lieu - VLF	4,197,771
5036 Business License Tax	975,000
5051 Waste Removal Franchise	941,500
5207 Late Pmt-Utilities	780,000
5361 Rent	449,100
5054 Cable TV Franchise	425,000
5034 Transient Occupancy Tax	411,000
5201 Veh Code-Moving Violation	290,000
5032 Public Safety -Prop 172	266,000
5084 Admin fees-CVW	246,940
5602 Sch Drug Suppression	238,000
5053 Gas Franchise	205,000
6121 Engineering Fees	148,282
5035 Real Prop. Transfer Tax	140,000
5494 State Motor Veh In-Lieu	118,000
5040 Card Room Fee	114,750
5971 Fire Dept.Services-Other	100,000



# FY 2009/10 Budget



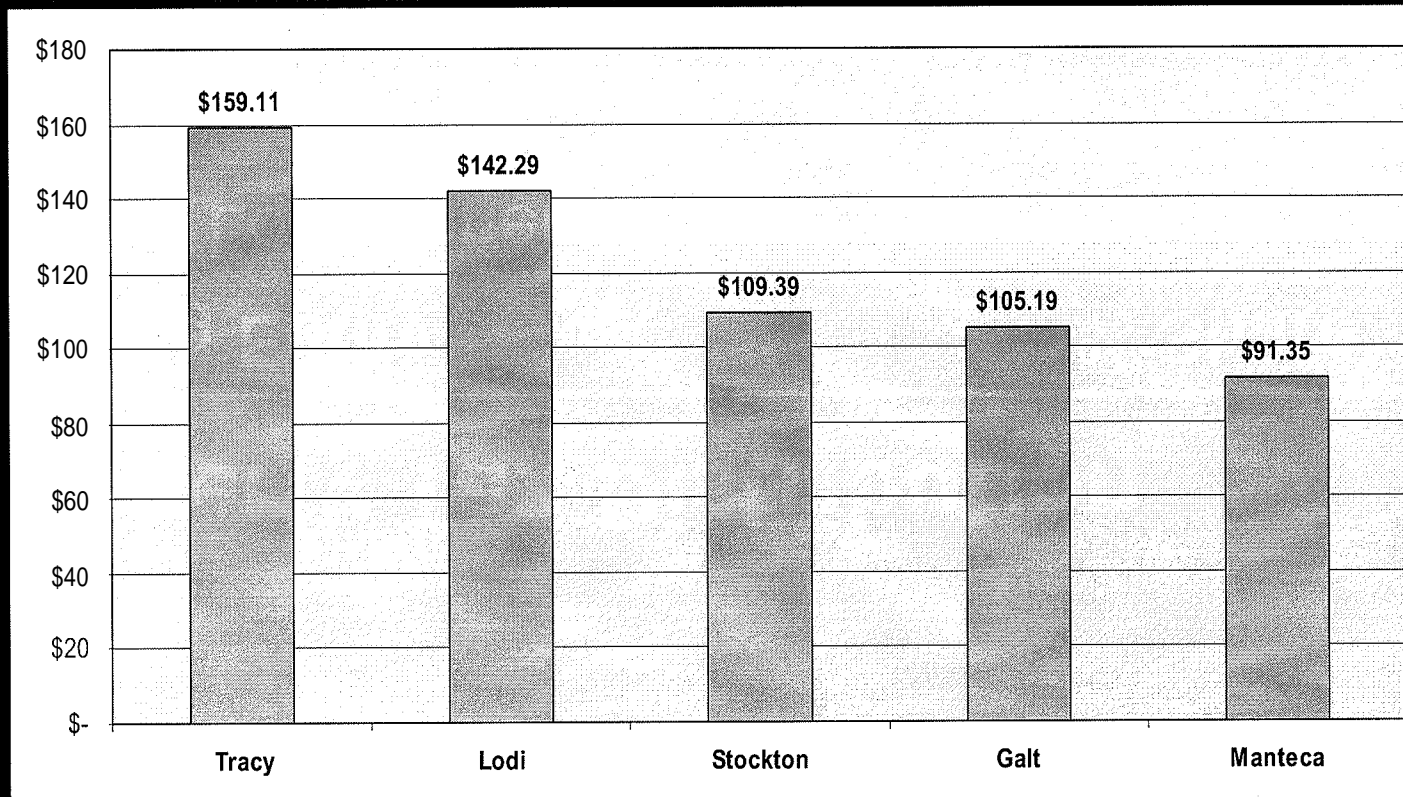
## Property Tax revenue history



# FY 2009/10 Budget



## Property Tax Per Capita FY 2008/09



# FY 2009/10 Budget



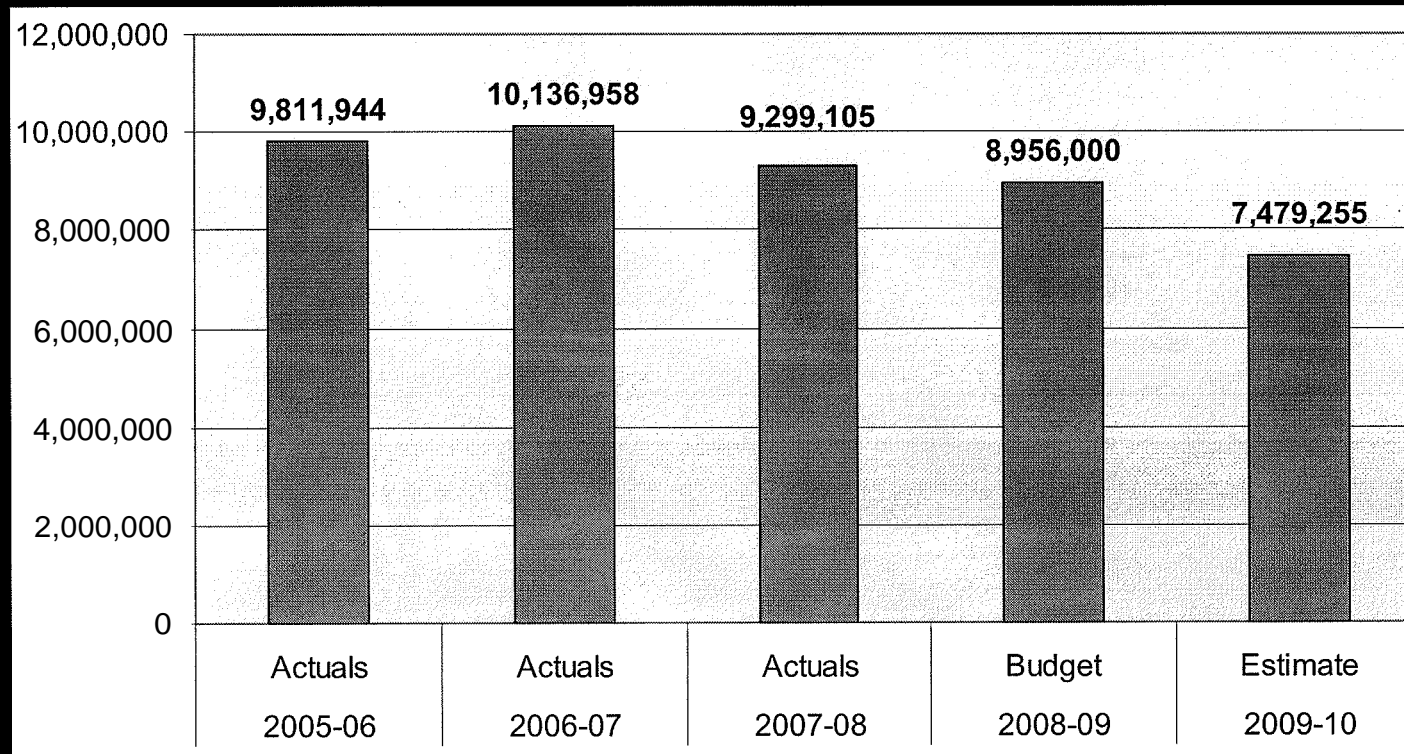
## Property Tax Distribution

Taxing Entity	% Share
City of Lodi General Fund	16.6%
LUSD	27.3%
SJ County General Fund	22.0%
Delta College	3.8%
Other	2.6%
ERAF	27.7%

# FY 2009/10 Budget



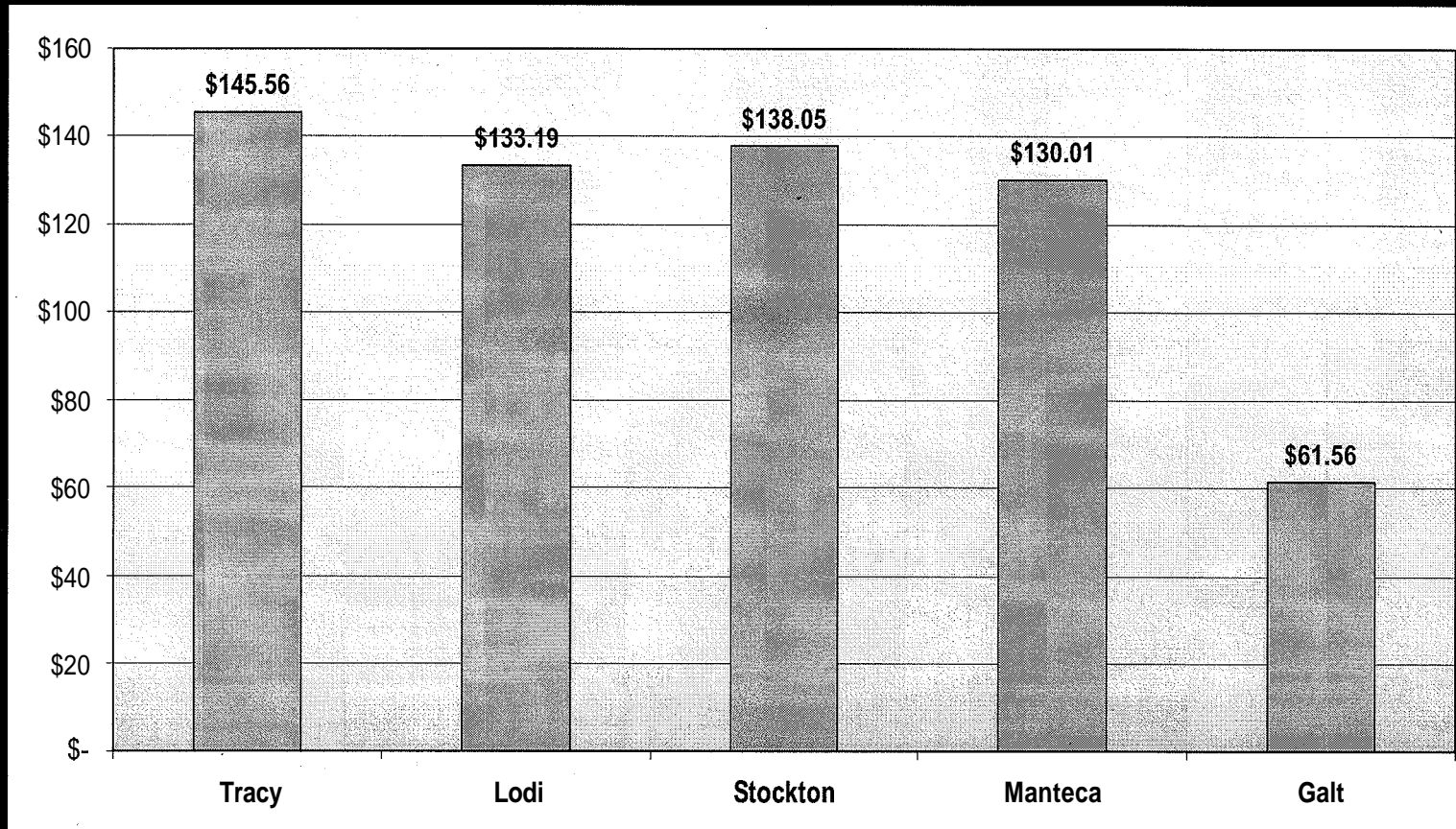
## Sales and Use Tax history



# FY 2009/10 Budget



## Sales Tax Per Capita FY 2008/09

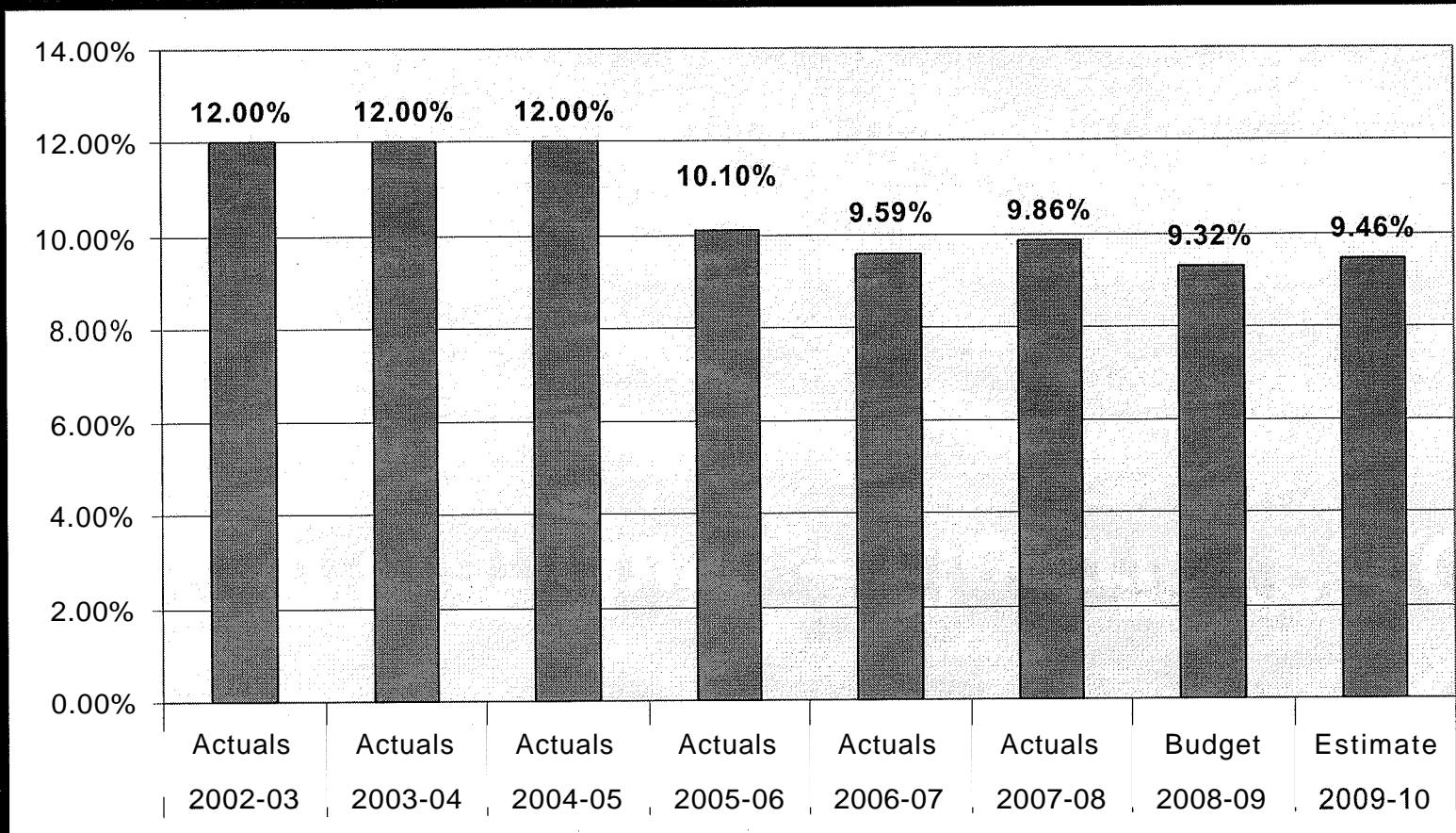




# FY 2009/10 Budget



## In-lieu Franchise – Electric (PILOT)





# FY 2009/10 Budget



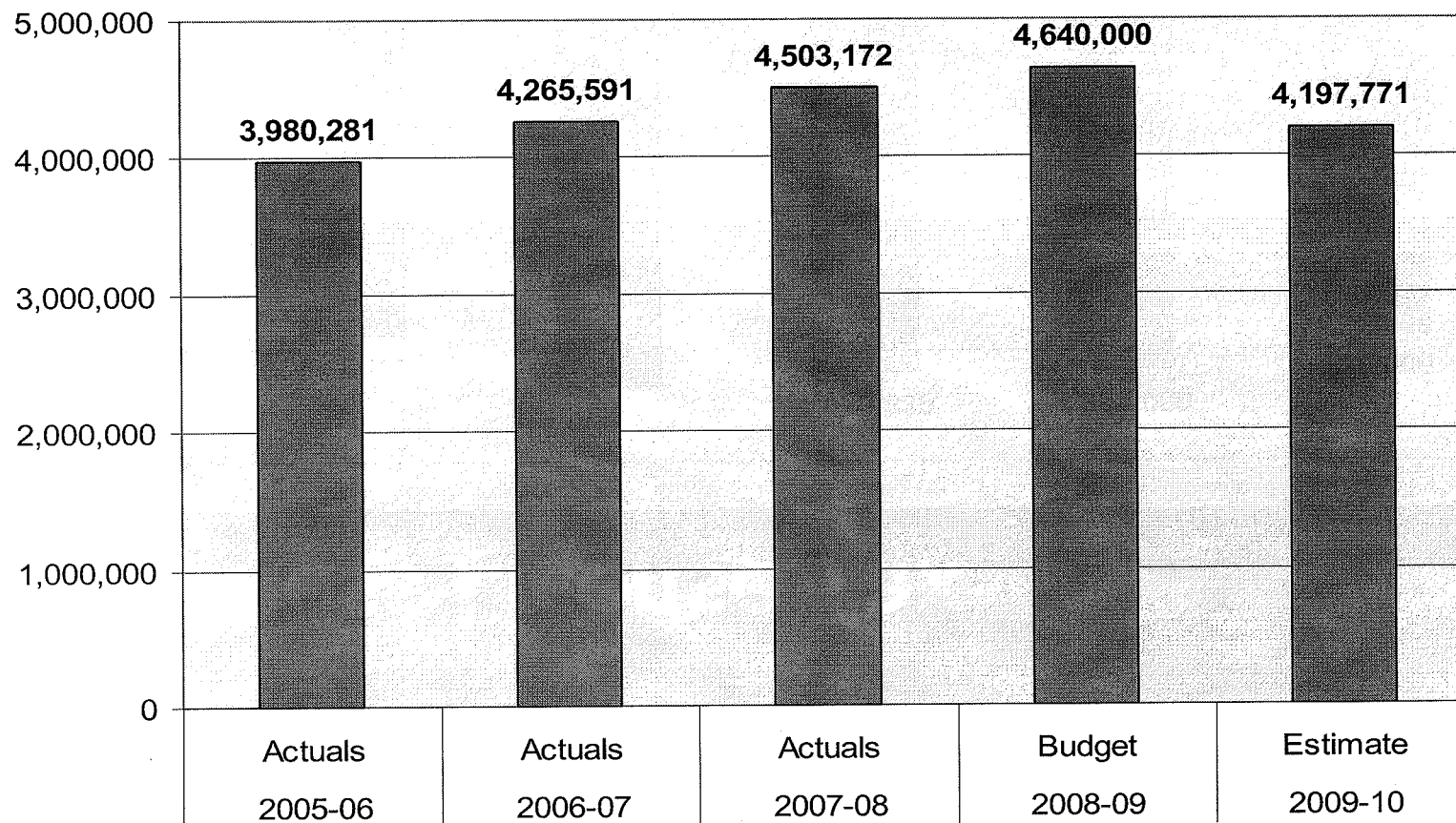
## In-lieu Franchise – Electric (PILOT)

- Municipal utilities not subject to federal or state income taxes
- Municipal utilities may provide payments in lieu of taxes (transfers to the general fund and contributions of services to state and local governments)
- PILOT is set by formula adopted by the City Council in 2007
- Formula is \$6,779,000 plus the annual growth in customers

# FY 2009/10 Budget



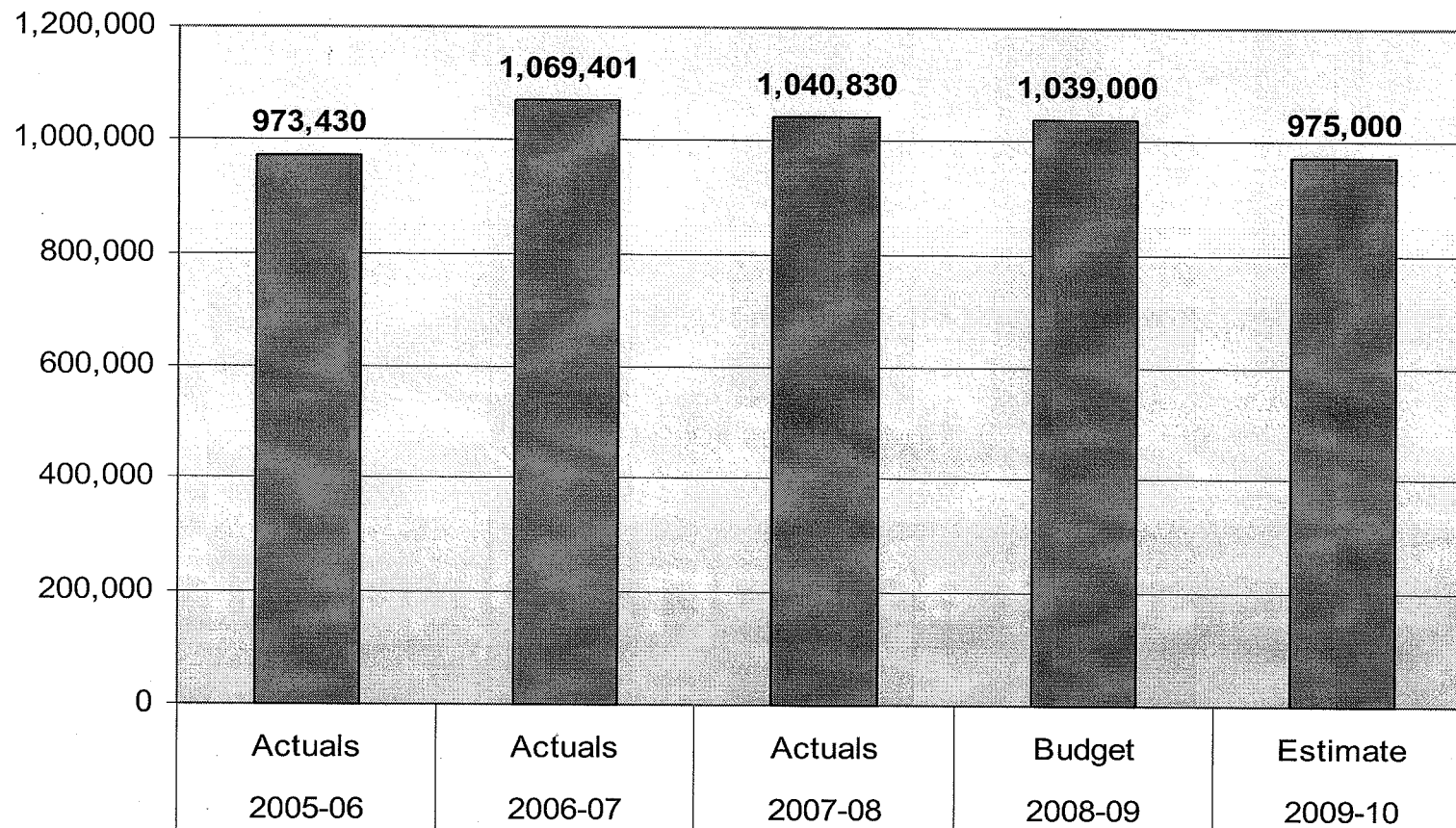
## In-lieu Vehicle License Fees



# FY 2009/10 Budget



## Business License Tax



## FY 2009/10 Budget



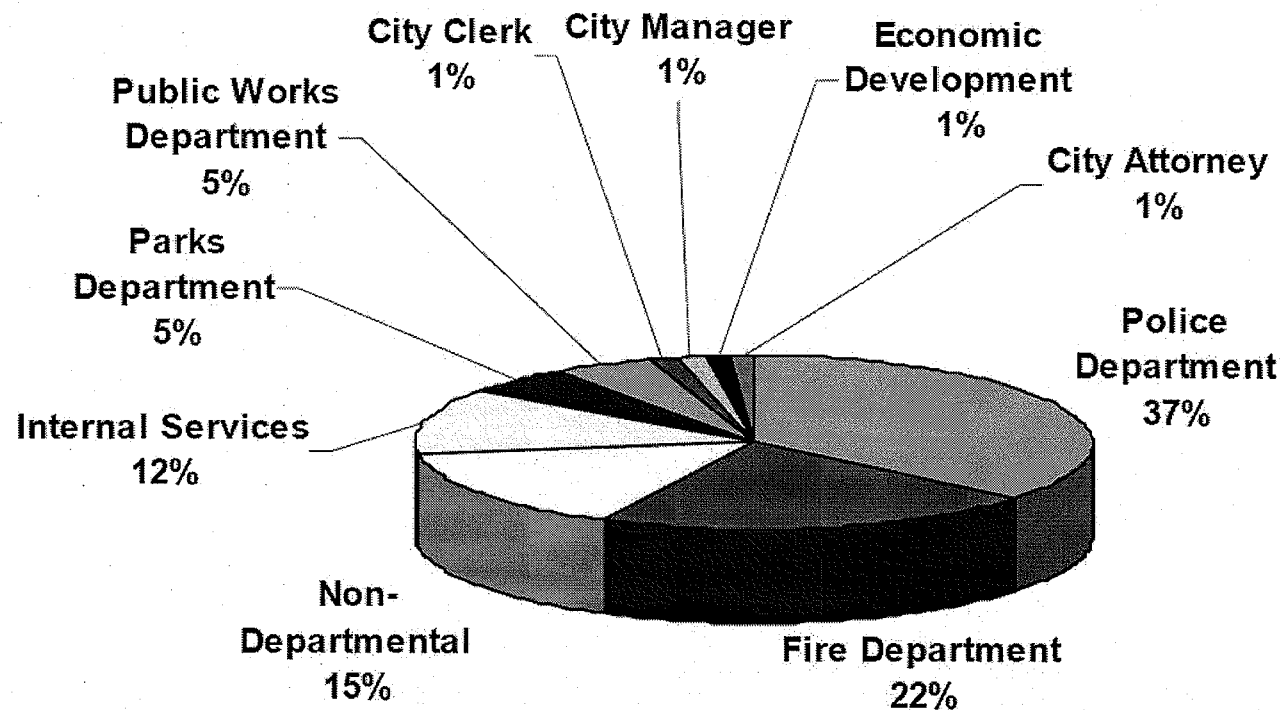
## Business License Tax

- Business tax is paid at a rate determined by the business classification established by City Council Resolution
- The tax rate for all businesses is set by Resolution of the City Council
- City actively searches for unlicensed businesses
- Expected reduction of 6.5%

# FY 2009/10 Budget



## General Fund expenditures

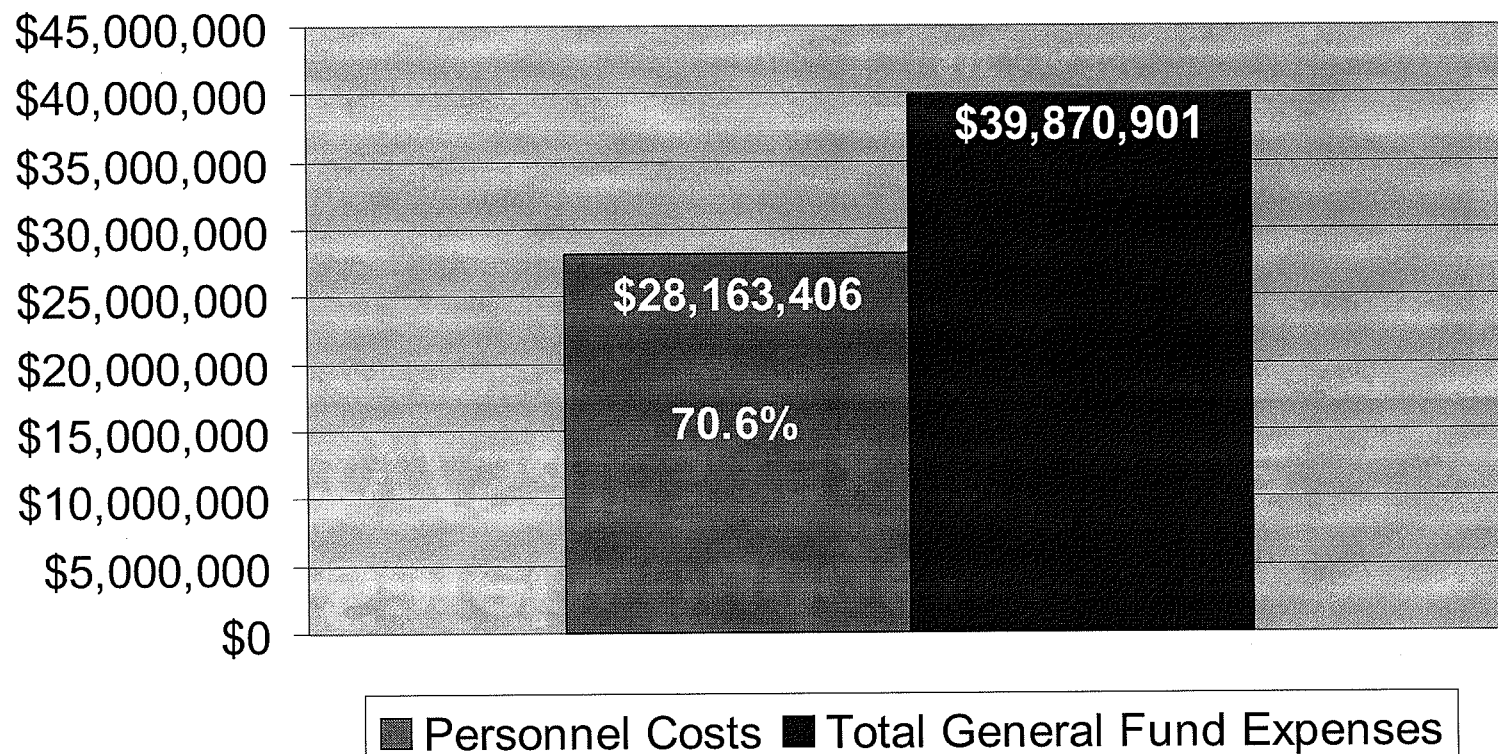




# FY 2009/10 Budget



## Personnel costs as % of GF

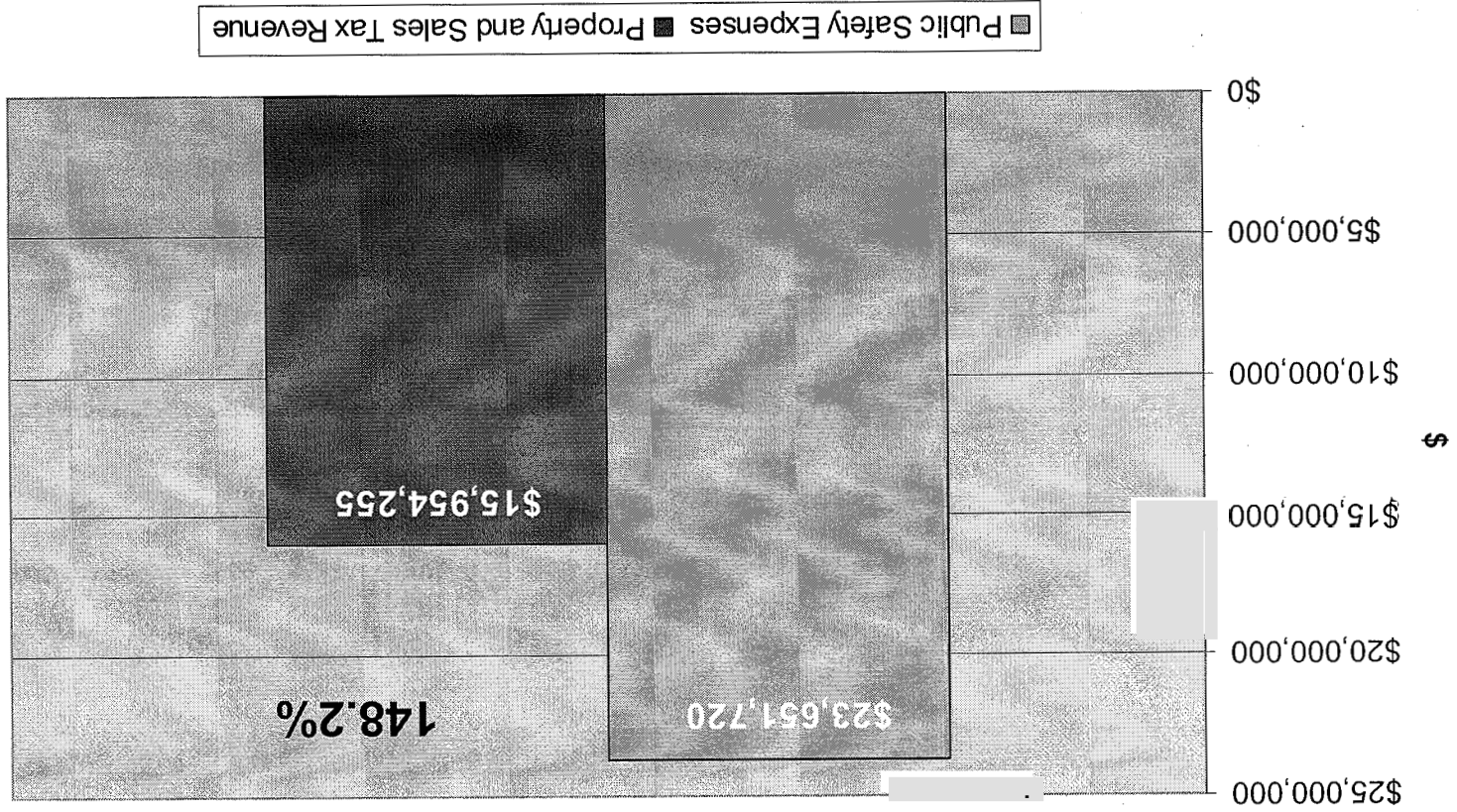




# FY 2009/10 Budget



## Public Safety budget vs. Property/Sales tax revenue



# FY 2009/10 Budget



## Police and Fire budgets

Police Dept.	\$14,955,058	37.51%
Fire Dept.	\$ 8,696,662	21.81%
<b>Total</b>	<b>\$23,651,720</b>	<b>59.32%</b>

# FY 2009/10 Budget



## Public Services

Public Works	\$1,962,141	4.92%
Comm. Development	\$ 213,100	0.53%
Streets MOE	\$ 842,671	2.11%
<b>Total</b>	<b>\$3,017,912</b>	<b>7.56%</b>

# FY 2009/10 Budget



## Culture and Recreation

Parks	\$2,251,918	5.65%
Library	\$1,352,031	3.39%
Community Center	\$1,166,095	2.92%
Recreation	\$ 494,132	1.24%
<b>Total</b>	<b>\$5,264,176</b>	<b>13.2%</b>

# FY 2009/10 Budget



## Support Services & Non-Dept'l

Internal Services	\$3,667,493	9.20%
Non-Departmental	\$2,241,933	5.62%
<b>Total</b>	<b>\$5,909,426</b>	<b>14.82%</b>

# FY 2009/10 Budget



## Administration/Econ. Develop.

City Clerk	\$548,540	1.38%
City Manager	\$538,610	1.35%
City Attorney	\$462,890	1.16%
Econ. Dev.	\$477,627	1.20%
<b>Total</b>	<b>\$2,027,667</b>	<b>5.09%</b>



# FY 2009/10 Budget



## Allocation of 2002 COP

Police Building	\$760,071 (45%)
Community Center HSS	\$663,329 (40%)
Econ. Develop. (School Street)	\$253,531 (15%)
<b>Total</b>	<b>\$1,676,931</b>

# FY 2009/10 Budget



## Econ. Develop. & Special Events

LCVB	\$78,080
San Joaquin Partnership	\$29,750
Lodi Chamber of Commerce	\$1,500
Fireworks	\$16,000
SJC Enterprise Zone	\$21,766
Arts grants	\$42,500
DLBP	\$0

# FY 2009/10 Budget



## Budget & Finance recommendations

### May 4

PALS contract:	Approved 5-0
Fire Inspection services:	Approved 5-0
LCVB funding formula:	Approved 5-0
DLBP unfunding:	Approved 5-0
SJ Partnership reduction:	Approved 5-0
Continue Chamber dues (\$1,500):	Approved 5-0

### May 11

Approve \$42,500 in Arts grants:	Approved 4-1-1
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**FY 2009/10 Budget**



# **Department Presentations**

# FY 2009/10 Budget



## Police Department

FY 2009/10 budget	\$14,955,000
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FY 2008/09 budget	\$15,993,300
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Change	(\$1,038,300)	-6%
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General Fund ratio	38%
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Funded positions FY 09/10	113
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Unfunded positions	12
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Service adjustments: Less proactive policing, no crime prevention education, no crime analysis, reduced parking enforcement, reduced bike patrol, longer waits for public

## FY 2009 / 10 Budget



## Police Department/Accomplishments

- Implemented Fire Dispatch
- Integrated Community Improvement
- Acquired public safety software
- Implemented GREAT
- Animal Shelter improvements
- Developed strategic plan
- Increased proactive activities



# FY 2009/10 Budget



## Police Department/Emphasis

- Continue focus on vision of a safe and secure community
- Neighborhood Watch
- Problem locations/offenders
- Transition to OSSI software
- Community Improvement outreach
- Implementing aspects of strategic plan

# FY 2009/10 Budget



## Fire Department

FY 2009/10 budget	\$8,696,700
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FY 2008/09 budget	\$9,338,000
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Change	(\$641,300)	-7%
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General Fund ratio	22%
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Funded positions FY 09/10	62
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Unfunded positions	2
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Service adjustments: Additional apparatus brownouts, increased response times, reduction in fire prevention, public education and inspection services

# FY 2009/10 Budget



## Fire Department/Accomplishments

- Homeland Security grant for radios
- Cal EMA engine
- Continued apartment inspections
- Continued company inspection program

# FY 2009/10 Budget



## Fire Department/Emphasis

- Seek grant funding
- Complete Department's section of the General Plan
- Obtain stimulus funds for fire stations
- Complete Master Radio communications grant
- Develop and implement Mobile Computer Terminals
- Meet six-minute response goal at least 90 percent of time

# FY 2009/10 Budget



## Public Works (General Fund)

FY 2009/10 budget	\$1,962,100
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FY 2008/09 budget	\$3,409,000
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Change	(\$1,446,900)	-42%
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General Fund ratio	5%
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Funded positions FY 09/10	18
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Unfunded positions	5
--------------------	---

Service adjustments: Reduced personnel due to retirements will increase burden on remaining staff, wait times for public

# FY 2009/10 Budget



## Public Works/Accomplishments

- Water & Wastewater Utility financial model
- Installation of all prepaid water meters
- Initiated Harney Lane Specific Plan design project
- Harney Lane/State Route 99 Interchange Reconstruction
- Lodi Avenue Rehabilitation Project design/funding
- Library HVAC, Entry Ramp, Phase I Remodel Projects
- Financial Services building remodel and move completed
- Design of interim PCE/TCE Central Plume cleanup
- Transit Vehicle Maintenance Facility



# FY 2009/10 Budget



## Public Works/Emphasis

- Initiate update to Impact Mitigation fee program
- Complete utility master plans for General Plan update
- Complete design of Surface Water Treatment Plant
- Abate graffiti within one business day of notification
- Maintain level of service with reduced staff

# FY 2009/10 Budget



## Public Works/Water Utility

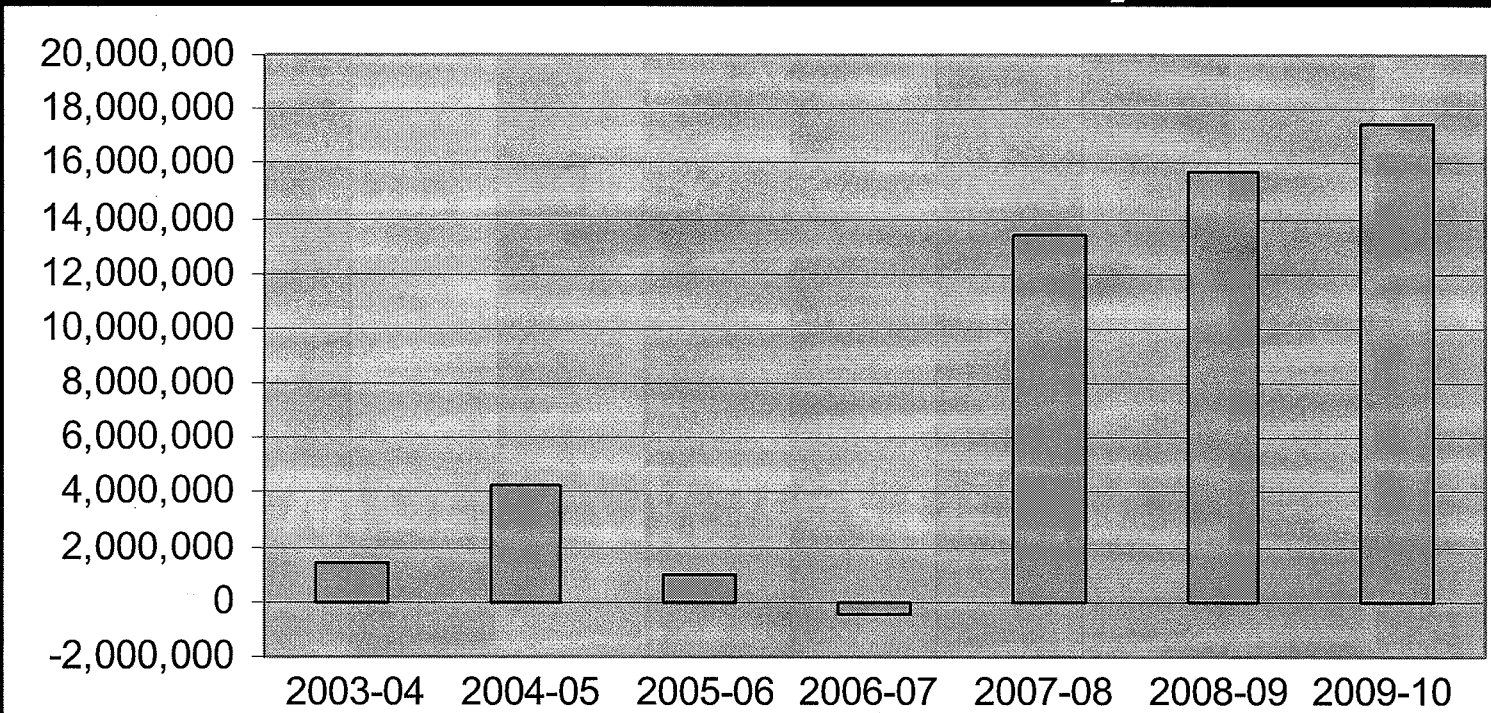
	Audited 2006-07 Actuals	Audited 2007-08 Actuals	2008-09 Budget	Estimated 2008-09 Actuals	2009-10 Budget
<b>Water Utility Enterprise Fund</b>					
<b>Fund Balance (Cash)</b>					
Beginning Fund Balance (Cash) Unreserved	946,119	(475,262)	8,953,566	13,434,921	15,761,074
Revenues	1,489,976	23,293,009	13,297,945	14,645,918	14,186,738
Expenditures	12,911,357	9,382,826	15,523,008	12,319,765	12,500,365
Net Difference (Revenues Less Expenditures)	(1,421,381)	13,910,183	(2,225,063)	2,326,153	1,686,373
<b>Fund Balance (Cash)</b>					
Ending Fund Balance (Cash) Unreserved	(475,262)	13,434,921	6,728,503	15,761,074	17,447,447

# FY 2009/10 Budget



## Public Works/Water Utility

### Fund balance history



# FY 2009/10 Budget



## Public Works/Water Utility

FY 2009/10 budget	\$12,500,400
FY 2008/09 budget	\$15,523,000
Change	(\$3,022,600) -20%
Funded positions FY 09/10 (Water & WW)	40
Unfunded positions	0

# FY 2009/10 Budget



## Public Works/Wastewater

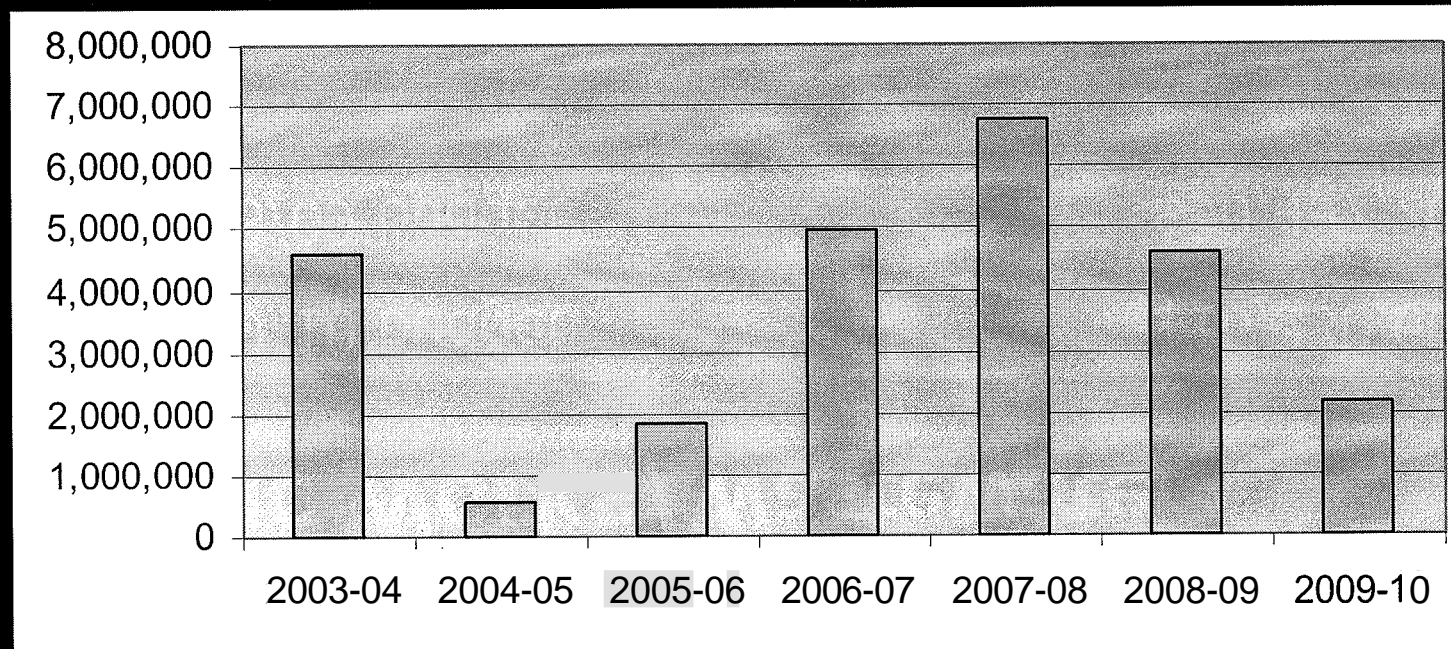
	Audited 2006-07 Actuals	Audited 2007-08 Actuals	2008-09 Budget	Estimated 2008-09 Actuals	2009-10 Budget
<b>Wastewater Utility Enterprise Fund</b>					
<b>Fund Balance (Cash)</b>					
Beginning Fund Balance (Cash) Unreserved	1,866,805	4,956,069	9,971,095	6,766,472	4,568,929
Revenues	17,957,059	38,421,977	21,457,272	15,532,196	13,821,930
Expenditures	<u>14,867,795</u>	<u>36,611,574</u>	<u>30,497,223</u>	<u>17,729,739</u>	<u>16,230,611</u>
Net Difference (Revenues Less Expenditures)	3,089,264	1,810,403	(9,039,951)	(2,197,543)	(2,408,681)
<b>Fund Balance (Cash)</b>					
Ending Fund Balance (Cash) Unreserved	<u>4,956,069</u>	<u>6,766,472</u>	<u>931,144</u>	<u>4,568,929</u>	<u>2,160,248</u>

# FY 2009/10 Budget



## Public Works/Wastewater

### Fund balance history





# FY 2009/10 Budget



## Public Works/Wastewater

FY 2009/10 budget	\$16,230,600
FY 2008/09 budget	\$30,497,200
Change	(\$14,266,600) -47%

# FY 2009/10 Budget



## Public Works/Transit

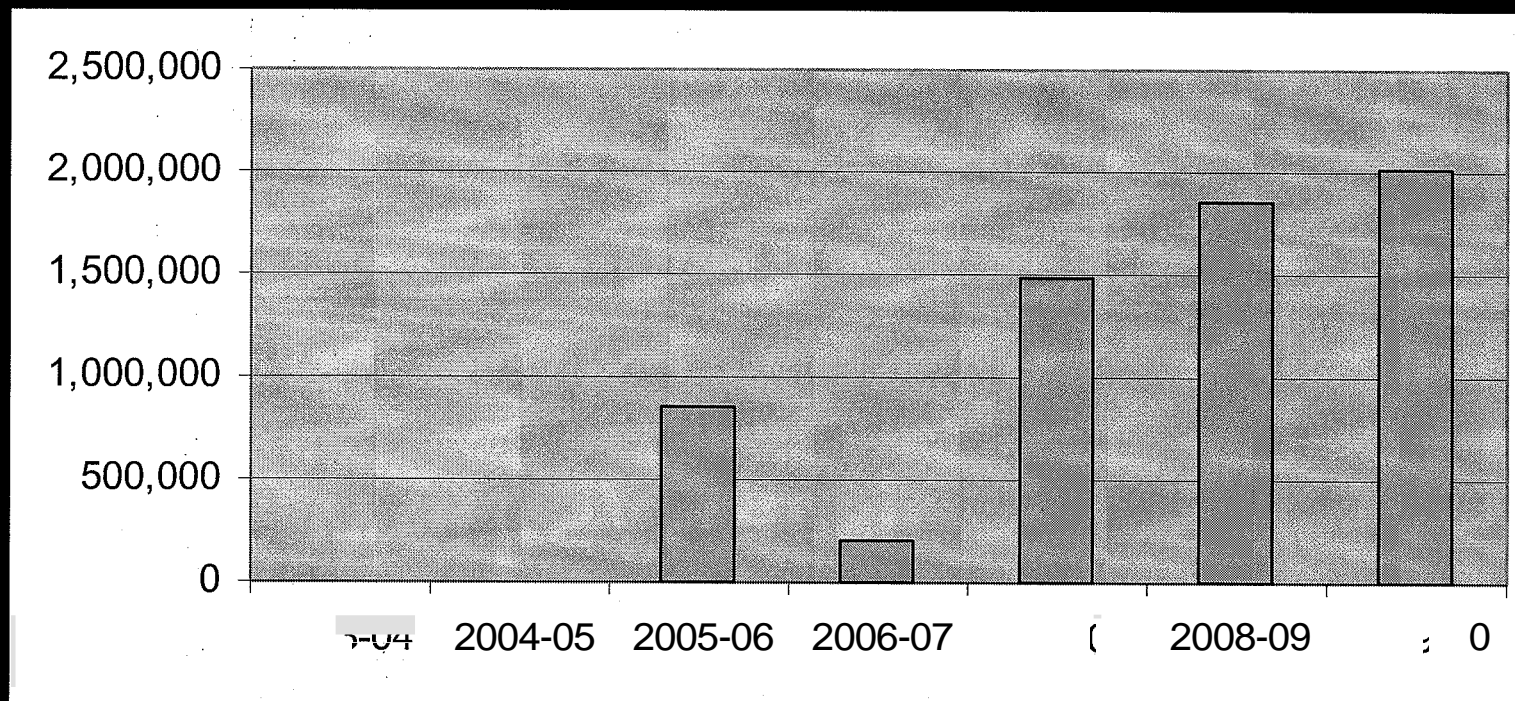
	Audited 2006-07 Actuals	Audited 2007-08 Actuals	2008-09 Budget	Estimated 2008-09 Actuals	2009-10 Budget
<b>Transit Fund</b>					
<u>Fund Balance (Cash)</u>					
Beginning Fund Balance (Cash) Unreserved	851,427	213,212	360,309	1,478,458	1,856,155
Revenues	3,355,922	4,923,545	7,002,481	6,873,513	4,232,831
Expenditures	<u>3,994,137</u>	<u>3,658,299</u>	<u>7,338,156</u>	<u>6,495,816</u>	<u>4,070,445</u>
Net Difference (Revenues Less Expenditures)	(638,215)	1,265,246	(335,675)	377,697	162,386
<u>Fund Balance (Cash)</u>					
Ending Fund Balance (Cash) Unreserved	<u>213,212</u>	<u>1,478,458</u>	<u>24,634</u>	<u>1,856,155</u>	<u>2,018,541</u>

# FY 2009/10 Budget



## Public Works/Transit

### Fund balance history



# FY 2009/10 Budget



## Public Works/Transit

FY 2009/10 budget	\$4,070,400
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FY 2008/09 budget	\$7,338,200
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Change	(\$3,267,800)	-45%
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Funded positions FY 09/10	3
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Unfunded positions	0
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# FY 2009/10 Budget



## Public Works/Streets & Drainage

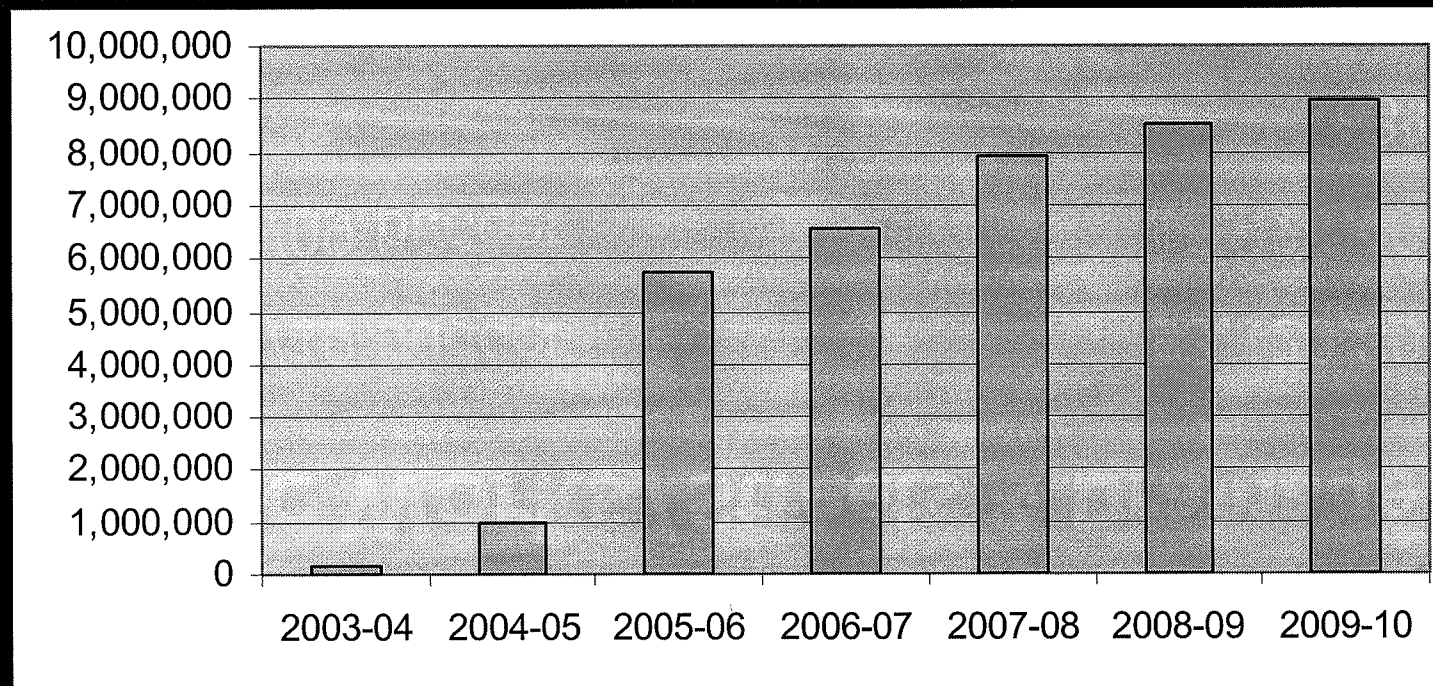
	Audited 2006-07 Actuals	Audited 2007-08 Actuals	2008-09 Budget	Estmated 2008-09 Actuals	2009-10 Budget
<b>Fund Balance (Net Assets)</b>					
Beginning Fund Balance (Net Assets) Unreserved	5,737,407	6,546,231	4,772,818	7,907,130	8,512,374
Revenues	5,295,890	5,612,485	4,667,659	5,369,737	3,563,013
Expenditures	4,487,066	4,251,586	8,424,384	4,764,493	3,120,826
Net Difference (Revenues Less Expenditures)	808,824	1,360,899	(3,756,725)	605,244	442,187
<b>Fund Balance (Net Assets)</b>					
Ending Fund Balance (Net Assets) Unreserved	6,546,231	7,907,130	1,016,093	8,512,374	8,954,561

# FY 2009/10 Budget



## Public Works/Streets & Drainage

### Fund balance history





# FY 2009/10 Budget



## Public Works/Streets & Drainage

FY 2009/10 budget	\$3,120,800
FY 2008/09 budget	\$8,424,400
Change	(\$5,303,600) 63%
Funded positions FY 09/10	26
Unfunded positions	1

# FY 2009/10 Budget



## Public Works/Fleet Services

	Audited 2006-07 Actuals	Audited 2007-08 Actuals	2008-09 Budget	Estimated 2008-09 Actuals	2009-10 Budget
<b>Fleet Services Internal Services Fund</b>					
<u>Fund Balance (Cash)</u>					
Beginning Fund Balance (Cash) Unreserved	-	-	27,928	-	-
Revenues	1,565,130	1,090,871	1,947,553	1,864,249	1,929,720
Expenditures	<u>1,565,130</u>	<u>1,090,871</u>	<u>1,947,553</u>	<u>1,864,249</u>	<u>1,929,720</u>
Net Difference (Revenues Less Expenditures)	-	-	-	-	-
<u>Fund Balance (Cash)</u>					
Ending Fund Balance (Cash) Unreserved	-	-	27,928	-	-

# FY 2009/10 Budget



## Public Works/Fleet Services

FY 2009/10 budget	\$1,929,700
FY 2008/09 budget	\$1,947,600
Change	(\$17,900)
Funded positions FY 09/10	11
Unfunded positions	0

# FY 2009/10 Budget



## Parks Division

FY 2009/10 budget	\$2,251,900
FY 2008/09 budget	\$2,427,100
Change	-7%

(\$175,200)

General Fund ratio

Funded positions FY 09/10

20

Unfunded positions

2

Service adjustments: Reduced park maintenance due to two unfunded positions

# FY 2009/10 Budget



## Recreation Fund

	Audited 2006-07 Actuals	Audited 2007-08 Actuals	2008-09 Budget	Estimated 2008-09 Actuals	2009-10 Budget
<b>Recreation Fund</b>					
<b>Fund Balance (Net Assets)</b>					
Beginning Fund Balance (Net Assets) Unreserved	-				49
Revenues	-		1,798,838	1,717,115	1,844,318
Expenditures	-		1,763,730	1,717,066	1,844,318
Net Difference (Revenues Less Expenditures)	-		35,108	49	
<b>Fund Balance (Net Assets)</b>					
Ending Fund Balance (Net Assets) Unreserved	-		35,108	49	49

# FY 2009/10 Budget



## Recreation Division

FY 2009/10 budget	\$1,844,300
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FY 2008/09 budget	\$1,763,700
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Change	\$80,600	+5%
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General Fund support	\$494,130
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Funded positions FY 09/10	9.5
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Unfunded positions	0
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# FY 2009/10 Budget



## Parks & Recreation/Accomplishments

### Parks

- Installation of new Lodi Lake Boat House
- Repair and reopening of Lodi Skate Park at Kofu Park
- Approval to move forward with ADA improvements and installation of synthetic turf at the Grape Bowl

### Recreation

- Implemented online registration process
- Redesigned department web page
- Moved to a program budget operation

# FY 2009/10 Budget



## Parks & Recreation/Emphasis

### Parks

- Phase I DeBenedetti Park
- Complete maintenance standards manual
- Continue ADA improvements at the Grape Bowl
- Salas Park lighting

### Recreation

- Establish a special events unit
- Partner with nonprofits to boost youth participation
- Continue to expand adult sports opportunities

# FY 2009/10 Budget



## Community Center

	Audited 2006-07 Actuals	Audited 2007-08 Actuals	2008-09 Budget	Estimated 2008-09 Actuals	2009-10 Budget
<b>Community Center Fund</b>					
Fund Balance (Net Assets)					
Beginning Fund Balance (Net Assets) unreserved	-	-	-	-	-
Revenues	-	-	1,938,531	1,943,849	1,859,673
Expenditures	-	-	1,938,531	1,943,849	1,859,673
Net Difference (Revenues Less Expenditures)	-	-	-	-	-
Fund Balance (Net Assets)					
Ending Fund Balance (Net Assets) Unreserved	-	-	-	-	-

# FY 2009/10 Budget



## Community Center

FY 2009/10 budget	\$1,859,700
FY 2008/09 budget	\$1,938,500
Change	(\$78,800) -4%
General Fund support	\$1,166,095
Funded positions FY 09/10	7.5
Unfunded positions	0
Service adjustment: Continue deferring maintenance	

# FY 2009/10 Budget



## Community Center/Accomplishments

- Increased revenues for the Performing Arts Center
- Doubled UOP/Osher mature learning opportunities
- Produced Activity Guide with Parks & Recreation
- Held 6<sup>th</sup> Annual Arts Open House
- Worked with Parks & Recreation on common goals
- Transitioned to web-based scheduling for classes

# FY 2009/10 Budget



## Community Center/Emphasis

- Continue to develop new revenue-generating programs
- Deferred maintenance
- Senior Commission expanding resources
- Formulate strategy for Art in Public Places
- Increase rental revenue by 5 percent over FY 2008/09
- Rebid catering services contract
- Implement program-based budgeting for activities



# FY 2009/10 Budget



## City Clerk

FY 2009/10 budget	\$548,500
FY 2008/09 budget	\$571,800
Change	(\$23,300) -4%
General Fund ratio	1%
Funded positions FY 09/10	4
Unfunded positions	0

# FY 2009/10 Budget



## City Clerk/Accomplishments

- November 4, 2008 General Municipal Election
- March 3, 2009 Special Municipal Election
- Fully implemented Granicus
- Ensured compliance with Political Reform Act through campaign statement filings

# FY 2009/10 Budget



## City Clerk/Emphasis

- Administer FPPC campaign disclosure statements for Candidate Controlled committees and PACs
- Continue working with the County Registrar of Voters to implement a Voting Rights Act compliance plan
- Continue outreach and citizen voter registration
- Continue monitoring State legislation and FPPC regulations

# FY 2009/10 Budget



## City Attorney

FY 2009/10 budget	\$462,900
FY 2008/09 budget	\$480,100
Change	(\$17,200) -4%
General Fund ratio	1%
Funded positions FY 09/10	3
Unfunded positions	0

# FY 2009/10 Budget



## City Attorney/Accomplishments

- Finalized last PCE-related litigation
- Drafted Lodi Tourism Business Improvement District Expansion, Card Room and Wastewater Pretreatment ordinances
- Resolved AT&T litigation at no cost
- Managed legal revision to Wal-Mart EIR
- Prosecuted 12 massage ordinance violations

# FY 2009/10 Budget



## City Attorney/ Emphasis

- Enforce code compliance through court action
- Draft Medical Marijuana Dispensary ordinance
- Increase in-house employment law expertise
- Pursue PCE Stimulus funding
- Develop wastewater expertise and assist with permit
- Implement new Proposition 218 indexing process
- Draft revised Massage Ordinance to comply with 7/1/09 State law



# FY 2009/10 Budget



## City Manager

FY 2009/10 budget		\$538,600
FY 2008/09 budget		\$587,900
Change	(\$49,300)	-8%
General Fund ratio		1%
Funded positions FY 09/10		6
Unfunded positions		0

# FY 2009/10 Budget



## City Manager/ Accomplishments

- Made two budget adjustments within the fiscal year to meet fast-changing economic conditions
- Refinanced 2002 Electric Utility bonds to eliminate uncertain market risk
- Hired Deputy City Manager/Internal Services Director
- Negotiated with all bargaining groups to meet budget challenges
- Moved forward with General Plan update

# FY 2009/10 Budget



## City Manager/Emphasis

- Complete General Plan update
- Proactively respond to economic conditions to maintain financial viability
- Use City's technology for improved communications
- Monitor grant and federal economic stimulus opportunities
- Maintain open communications with the labor force

# FY 2009/10 Budget



## Economic Development

FY 2009/10 budget	\$477,600
FY 2008/09 budget	\$522,700
Change	(\$45,100) -9%
General Fund ratio	1%

# FY 2009/10 Budget



## Economic Develop. organizations

- Visit Lodi! Conference & Visitors Bureau (\$78,080)
- San Joaquin Partnership (\$29,750)
- Lodi District Chamber of Commerce (\$1,500)
- Fireworks (\$16,000)
- SJC Enterprise Zone administration (\$21,766)
- Downtown Lodi Business Partnership (\$0)
- Arts grants (\$42,500)

# FY 2009/10 Budget



## Econ. Develop./Accomplishments

- Parcel-by-parcel analysis to expand Lodi portion of SJC Enterprise Zone
- Worked with SJ County EZ marketing staff to identify Lodi businesses for one-on-one meetings
- Strengthened ties with wineries for downtown tasting rooms
- Blue Shield opening expanded operations in Lodi



# FY 2009/10 Budget



## Econ. Development/Emphasis

- Promote concept of "green" business incubator and work to attract alternative-energy start-ups
- Hold downtown summit to explore next step in business district development
- Hold Eastside summit to explore options to enhance economic vitality
- Expand visitor opportunities downtown
- Continue to recruit additional retailers
- Promote new development opportunities resulting from revised General Plan

# FY 2009/10 Budget



## Internal Services

**Budget & Treasury, Financial Services,  
Human Resources, Information Systems**

FY 2009/10 budget \$5,067,500

FY 2008/09 budget \$3,994,400

Change (\$326,900) -8%

General Fund ratio 9%

Funded positions FY 09/10 32

Unfunded positions 5

Service adjustments: Increased workload on staff

# FY 2009/10 Budget



## Internal Services/Accomplishments

- Published 2008/09 City of Lodi Budget and Budget-in-Brief
- Adjusted budget twice in response to economic conditions
- Received clean audit opinion and received GFOA Award for Excellence in Financial Reporting
- Implemented online payments
- Updated policies, procedures and practices
- Variety of supervisory and managerial skill building forums
- Developed document management system to warehouse scanned or digital documents

# FY 2009/10 Budget



## Internal Services/Emphasis

- Monitor economic conditions and adjust Budget if needed
- Upgrade JDE to current version
- Implement pay stations offsite to enhance accessibility and reduce lobby traffic
- Finish updates to Admin. Policy & Procedures, Personnel Rules and Employer-Employee Relations document
- Establish wellness program for City employees
- Continue to provide supervisory training workshops

# FY 2009/10 Budget



## Non-Departmental

FY 2009/10 budget		\$6,309,962
FY 2008/09 budget		\$5,385,598
Change	\$924,364	+17%
General Fund ratio		16%

# FY 2009/10 Budget



## Electric Utility

	Audited 2006-07 Actuals	Audited 2007-08 Actuals	2008-09 Budget	Estimated 2008-09 Actuals	2009-10 Budget
<b>Electric Utility Enterprise Fund</b>					
<b>Fund Balance (Cash)</b>					
Beginning Fund Balance (Cash) Unreserved	3,631,402	5,162,284	10,909,302	11,339,624	13,072,819
Revenues	70,702,774	69,734,050	74,471,805	74,663,718	73,752,410
Expenditures	<u>69,171,892</u>	<u>63,556,710</u>	<u>73,091,069</u>	<u>72,930,523</u>	<u>72,634,564</u>
Net Difference (Revenues Less Expenditures)	1,530,882	6,177,340	1,380,736	1,733,195	1,117,846
<b>Fund Balance (Cash)</b>					
Ending Fund Balance (Cash) Unreserved	<u>5,162,284</u>	<u>11,339,624</u>	<u>12,290,038</u>	<u>13,072,819</u>	<u>14,190,665</u>

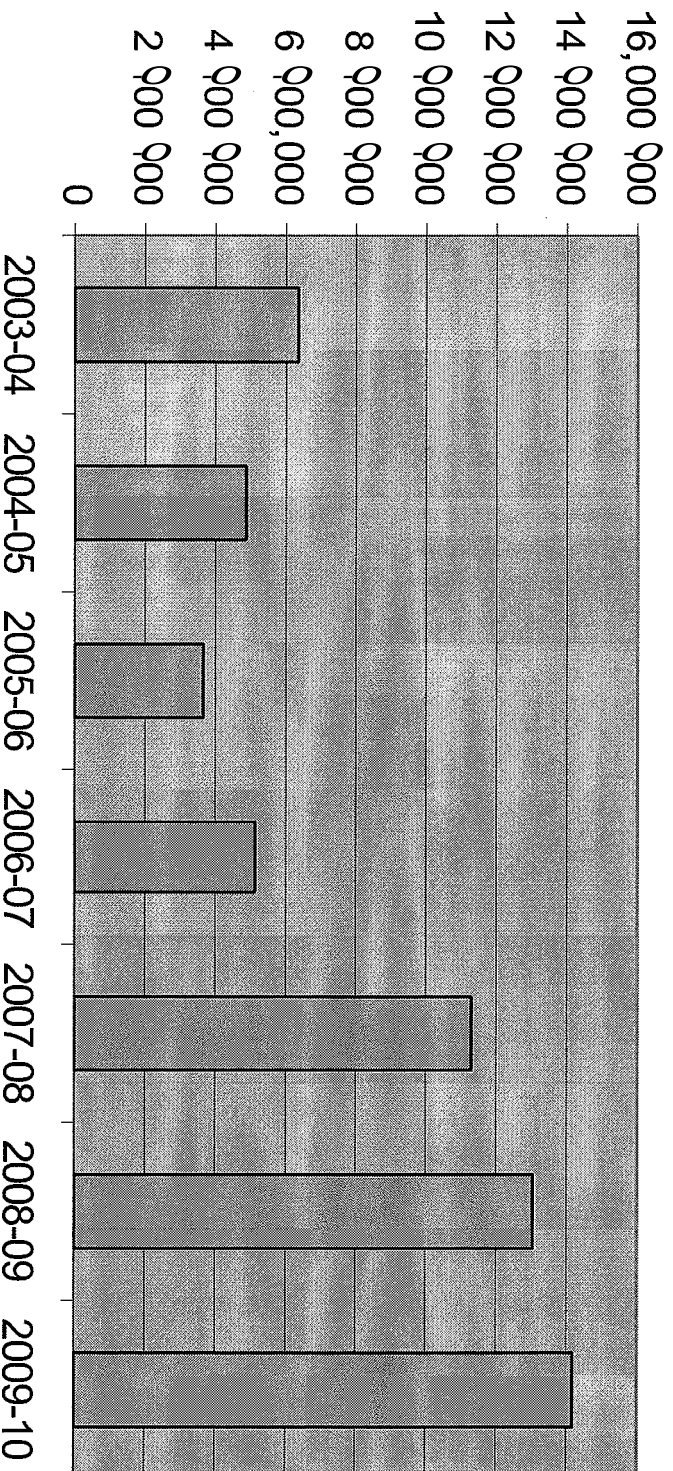


# FY 2009/10 Budget



## Electric Utility

### Fund balance history



# FY 2009/10 Budget



## Electric Utility

FY 2009/10 budget	\$72,634,600
FY 2008/09 budget	\$73,091,100
Change	(\$456,500) -1%
Funded positions FY 09/10	48
Unfunded positions	2

# FY 2009/10 Budget



## Electric Utility/Accomplishments

- Oversaw Phase II development work for Lodi Energy Center
- Detailed review of alternatives for Westside 60KV Power Line Project - initiated CEQA review
- Refinanced \$47 million of variable-rate debt
- Fitch and Standard & Poor's upgrade
- 25-megawatt purchase for July 2010-March 2012 period
- Economic Development Rates

# FY 2009/10 Budget



## Electric Utility/Emphasis

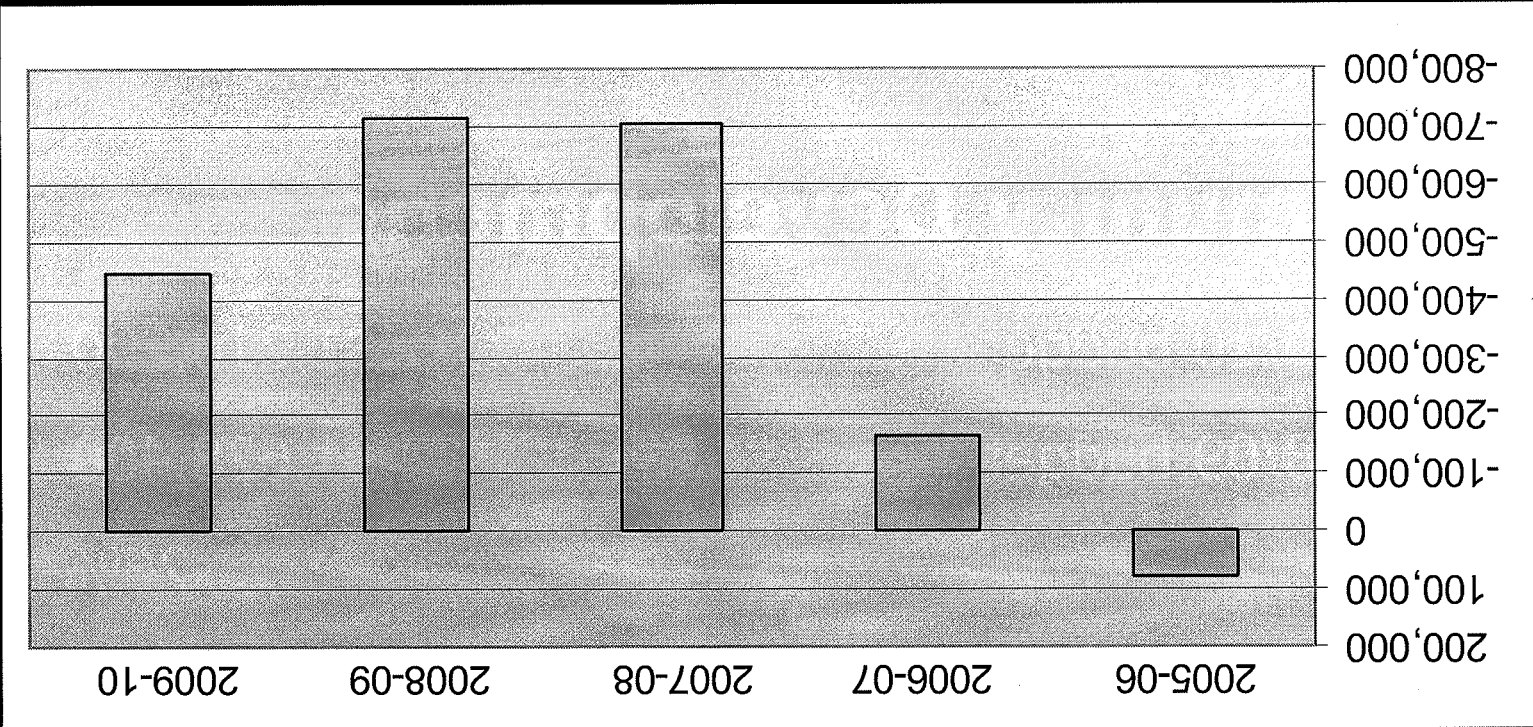
- Complete Phase II development work on Lodi Energy Center and negotiate Phase III agreement
- Close open power positions through June 2012
- Complete environmental work on Westside 60KV Transmission Project
- Complete environmental and engineering work for development of new Westside Substation
- Pursue an increase in financial rating by Fitch Ratings
- Pursue and obtain American Recovery and Reinvestment Act stimulus funding for local energy programs

# FY 2009/10 Budget



## Community Development

	Audited 2006-07 Actuals	Audited 2007-08 Actuals	2008-09 Budget	Estimated 2008-09 Actuals	2009-10 Budget
<b>Community Development Fund</b>					
<b>Fund Balance (Net Assets)</b>					
Beginning Fund Balance (Net Assets) Unreserved	78,692	(167,024)	(454,604)	(702,127)	(713,886)
Revenues	1,821,426	1,479,536	1,615,148	1,367,691	1,478,891
Expenditures	<u>2,067,142</u>	<u>2,014,639</u>	<u>1,628,438</u>	<u>1,379,450</u>	<u>1,210,238</u>
Net Difference (Revenues Less Expenditures)	(245,716)	(535,103)	(13,290)	(11,759)	268,653
<b>Fund Balance (Net Assets)</b>					
Ending Fund Balance (Net Assets) Unreserved	<u>(167,024)</u>	<u>(702,127)</u>	<u>(467,894)</u>	<u>(713,886)</u>	<u>(445,233)</u>



# Community Development Fund balance history

## FY 2009/10 Budget





# FY 2009/10 Budget



## Community Development

FY 2009/10 budget	\$1,210,200
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FY 2008/09 budget	\$1,628,400
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Change	(\$418,200)	-26%
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General Fund support	\$213,100
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Personnel	11
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Unfunded positions	2
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Service adjustments: Reduced support for public, longer wait times for applicants, reduced Planning Commission support

# FY 2009/10 Budget



## **Community Dev./Accomplishments**

- Managed General Plan update
- Processed Lodi Shopping Center project
- Maintained stated plan-check goals 90% of the time
- Completed Cost Analysis Study, adopted new fee schedule
- Performed fire plan review in Community Development
- Assisted in transition from Urban County CDBG program
- Completed RFQ process for selection of Roget Park developer

# FY 2009/10 Budget



## Community Dev./ Emphasis

- New fee schedule to achieve 90% cost recovery
- Reduce need for outside professional services
- Teach code update classes for Building Industry Association and contractors
- Obtain HOME Program funding to maintain existing housing assistance programs
- Close out all CDBG projects funded through the Urban County Program
- Implement Neighborhood Stabilization Program

# FY 2009/10 Budget



## Community Development Block Grant Fund

FY 2009/10 budget	\$751,250
FY 2008/09 budget	\$461,100

# FY 2009/10 Budget



## Library

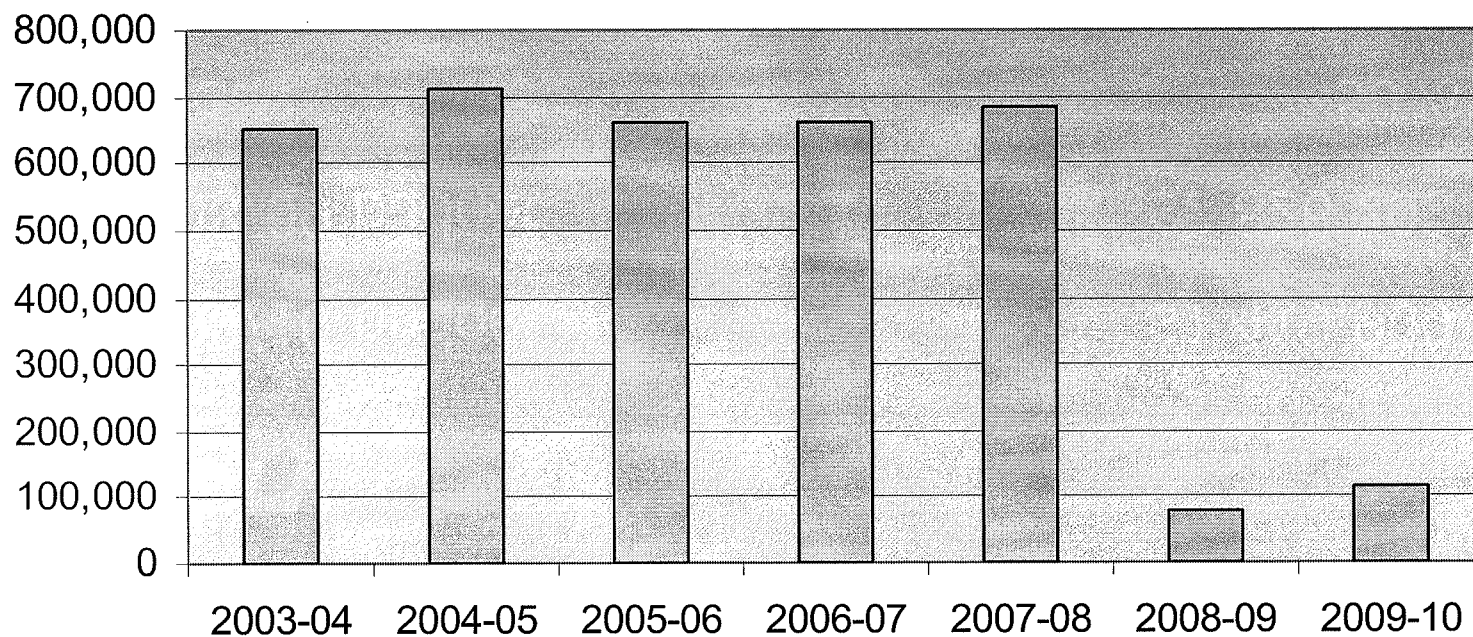
	Audited 2006-07 Actuals	Audited 2007-08 Actuals	2008-09 Budget	Estimated 2008-09 Actuals	2009-10 Budget
<b>Library Fund</b>					
Fund Balance (Net Assets)					
Beginning Fund Balance (Net Assets) Unreserved	659,023	659,572	659,885	685,687	79,758
Revenues	1,664,914	1,764,025	2,200,294	2,271,047	1,453,901
Expenditures	<u>1,664,365</u>	<u>1,737,910</u>	<u>2,826,159</u>	<u>2,876,976</u>	<u>1,419,910</u>
Net Difference (Revenues Less Expenditures)	549	26,115	(625,865)	(605,929)	33,991
Fund Balance (Net Assets)					
Ending Fund Balance (Net Assets) Unreserved	<u>659,572</u>	<u>685,687</u>	<u>34,020</u>	<u>79,758</u>	<u>113,749</u>

# FY 2009/10 Budget



## Library

### Fund balance history





# FY 2009/10 Budget



## Library

FY 2009/10 budget	\$1,419,900
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FY 2008/09 budget	\$2,826,200
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Change	(\$1,406,300)	-50%
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General Fund support	\$1,352,026
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Funded positions FY 09/10	12
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Unfunded positions	2
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Service adjustments: Less customer support, reduced public hours

# FY 2009/10 Budget



## Library/Accomplishments

- Completed Phase I of Library Renovation Project
- Moved to temporary location
- Developed partnership with area schools to provide access to materials on school standardized reading lists
- Public survey to determine public interest, satisfaction and suggestions
- Began development of technology and strategic plans

# FY 2009/10 Budget



## Library/Emphasis

- Maintain commitment to reading, literacy and learning
- Use collection development, online assistance and volunteers to provide homework help
- Implement technology plan
- Work toward completion of Phase II renovation